STATE OF CALIFORNIA

MEETING OF THE

CALIFORNIA INSPECTION & MAINTENANCE REVIEW

COMMITTEE

WEBCAST

Tuesday, May 24, 2005

California Air Resources Board

1001 I Street

Sacramento, California

1	MEMBERS PRESENT:
2	VICTOR WEISSER, CHAIR
3	PAUL ARNEY
4	DENNIS DeCOTA
5	JOHN HISSERICH
6	BRUCE HOTCHKISS
7	JUDITH LAMARE
8	ROBERT PEARMAN
9	JEFFREY WILLIAMS
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11	MEMBERS ABSENT:
12	TYRONE BUCKLEY
13	GIDEON KRACOV
14	
15	ALSO PRESENT:
16	ROCKY CARLISLE, Executive Officer
17	JANET BAKER, Administrative Staff
18	
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1	<u>PROCEEDINGS</u>
2	[Beginning of meeting not recorded]
3	MR. CARLISLE: - information I had on it,
4	five additional staff at the Air Resources Board.
5	MEMBER WILLIAMS: Could you explain what 'in
6	suspense' means?
7	MR. CARLISLE: It's kind of been tabled for
8	now until they have more information on the bill.
9	CHAIR WEISSER: It's a very common practice
10	in the legislative process to put a bill in suspense.
11	The committee chair at some point in time decides when
12	she or he thinks it's appropriate to bring up. The
13	author can ask that a bill be placed in suspense or in
14	fact the committee itself can put the bill in suspense.
15	MEMBER WILLIAMS: Thank you.
16	MEMBER LAMARE: Back burner.
17	CHAIR WEISSER: Or they're waiting for things
18	to ripen, like our report.
19	MR. CARLISLE: The next bill is AB578 and
20	that bill is one that requires that the Bureau of
21	Automotive Repair hold public meetings if they're going
22	to increase the number of vehicles directed to test-
23	only. That passed Appropriations, it's now in the
24	Senate. It's been read the first time and it's been
25	sent to the Senate Rules Committee for assignment.

1 And the last one -CHAIR WEISSER: Excuse me, before you move 2 3 on, Rocky, do you know what the vote was at Appropriations? 4 I do not. 5 MR. CARLISLE: MEMBER DECOTA: It was a unanimous vote of 7 the members. The bill has not received a negative vote 8 to date from any legislator. 9 MR. CARLISLE: I should mention, too, it did 10 have a significant amount of support. As I recall, 11 there were five groups that supported it and one 12 opposed. 13 Last but not least, AB898, that's the Mays 14 bill that requires the Smog Check technicians to 15 receive only 60 hours of training prior to taking the 16 test for a Smog Check technician. That one has been 17 re-referred to the Committee on Transportation and is 18 now a two-year bill. 19 CHAIR WEISSER: Very good. It might be a 20 good idea for the tracking report if you could add 21 another column on, Rocky, and indicate if the Committee 22 or the position the Committee has taken and the date 23 that it took that position. 24 MR. CARLISLE: Will do. 25 CHAIR WEISSER: Members, are there any

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    questions on any of these measures, is there any
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    information anyone would like to share?
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              MEMBER DECOTA: Chairman Weisser, would it be
4
    appropriate to go over the bills as far as Committee
    support? I don't think I have that noted, I'd like to
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6
    have that. Do we have positions on some of these
7
    bills? I know we do on 386 but I'm -
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              CHAIR WEISSER: We also have 383 a letter in.
9
              MEMBER DECOTA:
                             Okay.
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              CHAIR WEISSER: 386 we did last time. And I
11
    think that's it; is that correct?
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              MR. CARLISLE: Correct.
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              MEMBER DECOTA: What would be the process of
14
    getting a letter of support from the Committee on a
15
    bill?
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              CHAIR WEISSER: Considering how formal we
17
    are, I suspect it would require a Committee member
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    raising that issue as to whether the Committee should
19
    take a position and then allowing for adequate
20
    discussion and then a vote.
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              Do you have any alternative views on that,
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    Rocky?
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              MR. CARLISLE: No, that's what we've done in
24
    the past. For the last two bills we sent letters of
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    support to the Assembly.
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              CHAIR WEISSER: On bills that we felt like
2
    engaging on.
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              MEMBER DECOTA: I would like to ask the
4
    Committee for their support on Assembly Bill 578 by
5
    Horton.
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              CHAIR WEISSER: You're making that as a
7
    motion.
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              MEMBER DECOTA: A request. I don't know.
9
    Yes, as a motion, right.
10
              CHAIR WEISSER:
                             Okay. And is there a second
11
    to that motion?
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              MEMBER LAMARE:
                             Second.
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              CHAIR WEISSER: Okay, that's seconded by
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    Committee Member Lamare. Now what I suggest we do,
15
    then, is enter into a period of discussion on the bill
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    and perhaps we should ask Rocky first to describe his
17
    understanding in more detail as to what the bill is
18
    proposing to do, and if you know, Rocky, or care to
19
    speculate your perspective as to why the bill or why
20
    the measure is being brought forward.
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              MR. CARLISLE: It's my understanding that
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    this bill simply requires that the Bureau hold public
23
    meetings to discuss any impact on industry, the
24
    consumer, business in general, that an increase in
25
    directed vehicles to test-only would have on them, and
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only after those public meetings could they then
possibly increase the amount of vehicles going to testonly.

CHAIR WEISSER: And do you have any understanding of the rationale behind the bill, the concerns that have motivated the measure?

MR. CARLISLE: I think the concern has been that with the recent increase — well, not recent increase but the increase to 36 percent and the reduction last year in the number of tests available to the industry, they've been concerned that any further reduction in vehicles going to test-and-repair could drastically have a negative impact, which it's already had an impact, but it could further damage possibly the test-and-repair industry.

CHAIR WEISSER: Thank you. We have two members, I think, that have indicated they want to say something, and I think, Jude, you had raised your hand first and then I'll go back to you, Dennis.

MEMBER LAMARE: Thank you, Mr. Chairman. As the seconder of the motion, I'd like to explain my second. That is, I think I seconded the motion because I think we should address this and discuss this bill and talk about it. The bill as written today is a good government bill. It simply requires a process, a

public hearing process to be engaged when the test-only referral percentage is increased. My trepidation here, however, is that the bill may get amended in the Senate and that any support that we have should be as written and with the proviso that if it's changed we withdraw our support and reconsider what our position is.

As it's written, I think it's not only worthy of our support but it's very much linked to my reasons for supporting AB386. That is, in the Smog Check Program we don't really have a public hearing process to demonstrate the air quality benefits of the decisions that are made or the decisions that are not made in the program.

The IMRC is kind of a backup public hearing process. We are not the decision makers. We don't make any decisions about the program, and therefore, we're sort of a safety valve for information and opinion to be expressed, but it seems to me that, certainly for me on my support for AB386 Lieber, to move the Smog Check Program to the air regulatory agency, one of the major reasons why I support that is so that there is a decision making body that has a public process where the decision makers follow rules of engagement with the public and there is a civic culture involved in the decision making.

I specifically would like to see decisions like referral to test-only meet the same tests for adoption that Moyer Program meets or any other air quality program. The staff comes forward and they make a demonstration of the air quality benefit that is expected and the costs or impacts that are expected from the rule or regulation, and that's subject to review by the public in an open forum where the decision makers are actually present and listening. So, Mr. Pearman has arrived and needs to be guided through the maze. CHAIR WEISSER: Bob, we're going to send a guide back to you to bring you to the front because this is constructed in a particularly clever way to ensure you can't get here from there. MEMBER LAMARE: Just to make sure that the public and the decision makers are a nice arm's length distance, which is my point here, that the decision about referral to test-only is extremely removed from public participation, and so I think the bill is worthy of support because it brings a public process to that issue. Thank you. CHAIR WEISSER: Thank you. We'll go to Dennis and then John.

MEMBER DECOTA: By the way, I agree with

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1 Member Lamare as far as her overview and hope that that 2 would apply to all bills that we take a position on. 3 CHAIR WEISSER: Thank you. MEMBER DECOTA: The other thing is, the bill 5 has been amended one time. The amendment brings in the 6 Air Resources Board in conjunction with the Bureau of 7 Automotive Repair for the oversight issues. 8 CHAIR WEISSER: Thank you. John. 9 MEMBER HISSERICH: Well, now my question was 10 just answered, because as you originally stated it was 11 the Bureau and I wondered if ARB was in, so that's 12 fine. 13 CHAIR WEISSER: Thank you. Are there any 14 other comments from Committee members at this point in 15 time? We'll ask for public comments. 16 Mr. Ward. Randy, you'll find that there is 17 no magic green light to give you an indication when 18 three minutes is up. What I'll ask is for Dennis to 19 signal you when we're at, let's say two minutes, and 20 then wave his hands frantically at two and a half 21 minutes so you get an indication. We'll try to lean on 22 the side of liberality. 23 MR. WARD: Okay, thank you, Mr. Chairman. 24 Randy Ward, California Emissions Testing Industries

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Association.

1 MR. TRIMLETT: We can't hear you. 2 MR. WARD: Randy Ward. 3 CHAIR WEISSER: Is the button pushed, Randy? We may not have it set up. We'll send our trusty 4 executive officer out to see if we can get this 5 6 working. 7 MR. WARD: Randy Ward representing the California Emissions Testing Industries Association, 8 9 and Mr. Chairman, just a note, I don't think I've ever 10 violated the three minutes, so you're not going to have 11 to worry. 12 With regard to AB578, it was amended to 13 include the Air Resources Board, and more than that, 14 the Air Resources Board, I think, was asked to 15 participate in some specific language that was then 16 accepted by the sponsors and the authors, and as a 17 result of that, my association has removed their 18 opposition, so while I'm not sure we're going to end up 19 supporting the bill, we've removed our opposition. 20 Thank you. 21 CHAIR WEISSER: Thank you very much. 22 MR. TRIMLETT: Len Trimlett, smogrfg.com. 23 Victor, trust me. In principle I support AB578. 24 a step in the right direction to look at the system as 25 it exists. The one problem that I see with AB578 that

has not been addressed, I as a consumer have been forced to go to test-only against my will. Okay. Two vehicles. The thing that is missing from this bill is that the consumer should have a choice to go wherever he wants.

I want to go back to the station that did my smogs before this fiasco. I want to be able to go to the station of my choice. If I'm forced to go to a test-only station, then I have to go somewhere else to get it fixed if it's going to fail. I want to be able to repair my vehicle at one place that I trust. The test-only places that I've went, I don't trust to go back again, I would look for a third station. The test-only is more like a big test mill, in, out, next, next, next, next.

I strongly — I'm not saying get rid of testonly. I'm saying give me the choice as a consumer
after you evaluate the results of the program to go to
the station of my choice. I want to do business with
somebody that I can feel comfortable with.

Go ahead, Dennis.

MEMBER DECOTA: No, no. You have one minute.

MR. TRIMLETT: Okay. Sorry. I would like to
see that bill amended to give me back the choice to go
to the station of my choice. Thank you.

CHAIR WEISSER: And thank you. Chris.

MR. ERVINE: Good morning, everybody. Chris Ervine, STARS, coalition of state test-and-repair stations. We support the bill. If we had had this kind of consumer and industry input to BAR ten years ago, we wouldn't be discussing this now. I think it's very important that the consumers have a say as well as the industry, and my feeling is that industry's input has been totally ignored and in spite of what they have inputted, the Smog Check Program has gone in a completely different direction. Thank you.

CHAIR WEISSER: Thank you very much, Chris.

I really appreciate members of the public being as direct and concise and clear as they've been so far today on this measure. Are there any other members of the public?

I'd like to ask whether or not either BAR or ARB have yet been able to get an approved position out on this measure. Is there anyone from ARB here? I see a head from an ARB person of renown nodding negatively that they have not. How about BAR? Also not. That's not unusual; it takes quite a bit of time for agencies to get positions developed and approved through the system.

Are there any other comments or questions

from any members of the Committee?

The recorder will note that Mr. Pearman joined us about five minutes ago and what we're doing is discussing, Robert, a motion made by Dennis, seconded by Jude, that the Committee take a position on AB578 Horton, which in overall terms would provide or require a public hearing and participation of both BAR and ARB at the hearing in terms of reviewing whether or not there should be an increase in the number of directed vehicles to test-only, at least that's how the measure stands as of today. What we heard and I think the most interesting thing is the comments made initially by Mr. Ward in terms of the removal of his organization's opposition to the measure.

So with that, I'd like to indicate that we now have to take a vote on the measure and we now have a quorum, so all in favor of the Committee sending a letter drafted along the lines that Dennis initially put forward but modified with the comments from Member Jude Lamare, because in fact this is a measure, I think, that has every chance of morphing, and if it changes in one way or another it might impact whether or not we want to continue our support of the measure.

All in favor of our supporting this measure please signify by saying aye.

1 IN UNISON: Aye. 2 CHAIR WEISSER: Are there any opposed? 3 MEMBER PEARMAN: I abstain. CHAIR WEISSER: All right, the minutes will note that Member Pearman abstained from voting on this 5 measure. We still have sufficient votes for it to 6 7 pass, so we have seven affirmative votes and one abstention, and that will - okay, I can't count. 8 9 affirmative votes and one abstention, so we will go 10 into support on that. 11 Rocky, develop a letter, I'll review it and 12 we'll send it out shortly. 13 -000 -14 Now since we do have a quorum, I'd like to go 15 back and ask the Committee for a motion to approve the 16 minutes for the April 26, 2005 meeting. Do I have such 17 a motion? I hear Mr. Hisserich making that motion. 18 there a second? 19 MEMBER WILLIAMS: I'll second. 20 CHAIR WEISSER: And Mr. Williams seconded. 21 Is there any discussion on the minutes? Hearing none, 22 all in favor of adopting the minutes please signify by 23 saying aye. 24 IN UNISON: Aye. 25 CHAIR WEISSER: Are there any opposed?

1 Hearing none, the minutes are adopted as put forward. 2 -000 -3 Are there any other aspects of the legislative agenda that anyone on the Committee would 4 care to bring forward at this time? 5 6 Okay. I think then we move into the report 7 topics portion. Oh, pardon me. I have interestingly an agenda that's out of date. 8 9 FEMALE VOICE: Oh. 10 CHAIR WEISSER: So we'll move into the update 11 by the agencies of activities that have taken place 12 during the past month, and I'd ask first that the Bureau of Automotive Repair come forward and let us 13 14 know any significant or mildly interesting issues that 15 are occurring. Is there someone from BAR that would 16 like to make that report? 17 MR. MUNDY: Rich Mundy, Bureau of Auto 18 I have only one item for you today and that's 19 to introduce Wayne Ramos. Several weeks ago, the chief 20 and our Department decided that we need to probably 21 establish some formal liaisons between various 22 different stakeholders, whether it be ARB, DMV or the 23 In doing so, we've assigned one person each to be that official liaison to address issues that you 24 25 have coming up at meetings, take them back to BAR if

need so and develop some kind of study that's necessary to respond to your questions. So with that, we've asked that Wayne be that liaison, sent official communication to Vic.

And Wayne has more than 20 years of experience in this program. They may be mostly in the field operations side of it, but believe me, he's well experienced in that task and can probably help also during the meetings to help keep you on track and give you some kind of perspective on issues that you may need. So with that, we're going to introduce Wayne and he'll have a few items for you.

CHAIR WEISSER: Very good. I want to ask before that occurs, liaisons have been established between BAR and other agencies like ARB or DMV, and some people may be reading tea leaves and saying, hmm, does this signify anything? To me, and in the conversation I had with Chief Ross yesterday when he called, what it signifies is management attempting to organize their work in a more efficient manner, so I don't attribute this to anything more than trying to become efficient management.

And Wayne, I'm not sure if you got the long straw or the short straw in this, but I personally and on behalf of this Committee welcome you into your new

1 | role. Thank you very much.

MR. MUNDY: It has been one of our desires to place somebody here that can help especially this body. With ARB and DMV it's more of in meetings and research projects and things like that, but with this official public body it's important probably to have somebody here at your disposal as well.

Go for it, buddy.

MR. RAMOS: Well, thank you. I am Wayne
Ramos and I do appreciate this appointment to act as a
liaison between IMRC and BAR, and hopefully you're
right, Victor, in terms of me acting as a point person
that will hopefully make cross-communication between
BAR and IMRC a little more efficient, and I hope to
accomplish that task. I don't have a whole lot in
terms of update. Again, my appointment is fairly new.
I was just appointed Friday at 4:30 so I don't have a
whole lot, so I hope this won't be judgmental in terms
of, you know, my future role in this, but just a couple
of things.

We are working on the extension to the referee contract. You know, we're looking at ways again on that aspect of that program to make it more efficient, so we're looking at a means of what the referee's current responsibilities are and whether or

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    not BAR may be able to assume some of those
    responsibilities to make it a little bit more efficient
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    and maybe hopefully make that contract a little less
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    expensive. Those are the things we're looking at with
5
    respect to that aspect of it.
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              We also have completed our study on the
7
    roadside sensing program. We're finalizing that report
8
    and hopefully sometime in mid summer we'll be able to
9
    get you out a report with respect to the result of that
10
    study.
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              CHAIR WEISSER: Excuse me. Will that be a
12
    report that is a joint BAR/ARB report?
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              MR. RAMOS: We'll be working with ARB, yes,
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    in terms of the results of that study, yes.
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              CHAIR WEISSER: And you think it's going to
    be done mid -
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17
              MR. RAMOS: Hopefully mid summer.
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              CHAIR WEISSER: Is that July?
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              MR. RAMOS: Around July, yes.
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              CHAIR WEISSER: Thank you, go on.
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              MR. RAMOS: Okay. That's really all I had
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    were just those two.
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              CHAIR WEISSER: What's the status on the
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    referees, what's the timing on the referee issue?
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              MR. RAMOS: In terms of the contract itself?
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CHAIR WEISSER: Well, yeah, the contract and your evaluation of the things you're going to try to do to make it more efficient.

MR. RAMOS: Well, there are some responsibilities that both the Bureau field staff and referee both do concurrently that has to do with some of the dispute resolution aspect of the referee system, so some of that could be delegated to the field personnel to make it a little bit more efficient. Those are some aspects of the referee program we're looking at, not to say that we've made any final decisions but we are looking at those elements of the program.

CHAIR WEISSER: In the discussion that came before us a few months ago by the community colleges there was a discussion of potentially privatizing the system, going out for bid to see if private vendors, presumably the industry, might be able to assume some of the roles, and is that still being actively considered?

MR. RAMOS: That is being considered. You know, there's pros and cons to that aspect of it. We did look into that aspect of it, and again, I don't really have any information for you as to whether that's the direction we're going to go or not at this

1 stage of the game.

CHAIR WEISSER: Are you considering doing any sort of public hearing to generate some input prior to your release of the report or your decision making?

MR. RAMOS: That, I'm not certain, but I'll certainly go back and determine if we are going to establish any public meetings to get input. That's a good question, I'll have to research that.

CHAIR WEISSER: And with the remote sensing, your expectation is a report would come out, let's say mid-summer.

MR. RAMOS: Um-hmm.

CHAIR WEISSER: Theoretically July, but it could be August. I have no problem, you know, whatever the timing is. What's your strategy in terms of releasing the report? Are you going to — remote sensing is an item of, you know, a lot of interest to a lot of people. Are you just going to kind of flop it out there or are you going to have some sort of a meeting to discuss it, or what are you going to do?

MR. RAMOS: That again, I'm not certain exactly how we're going to, once the report is looked at, as to what we're going to do with the report other than work with ARB, but beyond that I'll have to look into that aspect of it.

1 CHAIR WEISSER: Okay. I'd just be interested 2 in knowing what your strategy is in that regard. 3 might be advisable to arrange for some sort of informal get together with people who have interest in that 4 5 subject just so that they can ask questions and get 6 answers rather than, you know, it might save a lot of 7 people a lot of time. 8 MR. RAMOS: No, I totally agree. I will look 9 back into that. 10 CHAIR WEISSER: Are there any questions from 11 either the executive officer or members of the Committee associated with activities that have taken 12 13 place in the last month? Mr. Carlisle. 14 MR. CARLISLE: Mr. Chairman, I was going to 15 comment there's also a letter in your packet from Chief 16 Ross with regard to a referee update that's got some 17 more information in there for you as well. 18 CHAIR WEISSER: And we would find that? 19 MR. CARLISLE: That's on tab four about the 20 fourth letter back. And if I may, I should also 21 mention that this meeting is being webcast today, so 22 everybody speaking is going across the Internet. 23 also on conference call, people can call in. 24 noticed when we sent out the agenda. 25 CHAIR WEISSER: Very good. Is anyone on the

1 phone yet? Okay. Any other questions? 2 Wayne, I want to thank you very much. I'm 3 sure we'll be seeing a lot of you in the days and months to come ahead. Congratulations. 4 5 MR. RAMOS: I appreciate that, Victor, and I 6 look forward to this appointment, so thank you. 7 CHAIR WEISSER: Thank you. - 000 -8 9 Okay, is there someone from the Air Resources 10 Board that would care to come forward? 11 MS. MORROW: Sylvia Morrow, Air Resources 12 I just thought I'd give you a few updates on 13 some of the things that's been happening since the last 14 month. 15 Just to let you know, the joint ARB Smog Check evaluation contract RFP, the submittals are due 16 17 this Thursday at ten a.m., so we're well on the process on that, and the contract, we're planning on having it 18 19 awarded by the end of June. 20 Also, ARB and BAR have worked together on the 21 - to finalize the draft 2004 legislative report, and -22 yes. And we have not changed any of our original 23 recommendations. It is currently going through 24 ARB/CAL-EPA management approval and then it will go 25 through the BAR/DCA/Consumer Services Agency approval

for release, so we are well on that process. 1 2 CHAIR WEISSER: Sylvia, hold on, I need to 3 catch my breath. Let me make sure I understand what 4 you've said. The report that we received mid-2004, the 5 6 joint report, BAR/ARB report, that same report that a 7 couple of days before the meeting we were going to adopt BAR kind of moved away from the recommendations. 8 9 Now you guys have chatted about it further? 10 MS. MORROW: Yes, we have worked out the 11 issues and we have made an addendum to the report to 12 reflect what has happened since the release of that 13 report last year and to address some concerns, but like 14 I had said, the recommendations in the original report 15 have not changed. 16 CHAIR WEISSER: So now, as far as you 17 understand, the BAR supports the recommendations in the 18 report? 19 MS. MORROW: BAR supports, I believe with how 20 the addendum is written they do support what's in the 21 report. 22 CHAIR WEISSER: Do you want to give us a hint 23 as to what the addendum says? 24 MS. MORROW: It just basically talks about, 25 like I said, what has happened in the process, that the

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    Legislature has acted on some of the issues, the public
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    process we have taken with the IMRC, some of the public
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    comments that are received, and also that before BAR or
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    ARB are to enact any of the recommendations that are in
    the report we will do a full, you know, cost analysis
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    and go through a full process to make sure that the
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    recommendations meet all the requirements.
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              CHAIR WEISSER: I'll go to John, but I'm not
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    done.
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              MS. MORROW: Okay.
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              CHAIR WEISSER: John?
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              MEMBER HISSERICH: Well, just quickly.
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    process that you described, it's going through the ARB
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    process right now.
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              MS. MORROW: Well -
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              MEMBER HISSERICH: And then subsequent to
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    that it goes through the BAR process and then it goes
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    to print?
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              MS. MORROW: Well, it's a joint report and so
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    the Governor has to approve its release, so we're going
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    to vet it through our process and then it will go
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    through the BAR process before it can be released.
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    It's a standard.
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              MEMBER HISSERICH: And you'll get a look at
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    it after the vetting at BAR.
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MS. MORROW: Well, we have worked with BAR
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    staff to make sure that the addendum, at least on a -
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              MEMBER HISSERICH: Covers their concerns?
              MS. MORROW: It covers their concerns,
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5
    correct.
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              CHAIR WEISSER: Though I guess it would be
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    fair to say that this has not been finally reviewed and
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    approved by BAR yet; is that correct? If it's going
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    through some sort of process to be reviewed, it must
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    not be approved.
              MS. MORROW: Well, it has been reviewed up
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    through Chief Ross, and so it still has to be vetted
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    through -
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              CHAIR WEISSER: So it's going through the DCA
15
    process.
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              MS. MORROW: It still will have to go through
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    that, but we have worked out our concerns with Dick
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    Ross and his staff.
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              CHAIR WEISSER: Well, that's certainly good
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    news, at least insofar as this Committee member is
21
    concerned.
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              MS. MORROW: Okay.
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              CHAIR WEISSER: Can you give me a sense of
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    timing?
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              MS. MORROW: I think, you know, with it going
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1 like I said, with it going through two agencies, I mean 2 3 CHAIR WEISSER: Is there a reason that it's going sequentially rather than in parallel? Wouldn't 4 that kind of speed the process up a little bit? 5 6 MS. MORROW: Well, I think that, at least 7 from what my understanding is, is that it will be 8 easier to go through the DCA process once we already 9 have the signatures on our side for the BAR. 10 CHAIR WEISSER: But I remember in the 11 development of this report that it was interminably 12 delayed after its completion and approval by ARB by the 13 BAR/DCA review process. 14 MS. MORROW: Yeah. 15 CHAIR WEISSER: Is that likely to occur 16 again? 17 MS. MORROW: I have no idea. I mean, there's 18 a new BAR chief in place so things are different over 19 there since the last time. 20 CHAIR WEISSER: Well, I certainly want to 21 applaud the agencies for being able to work out the 22 differences that had erupted just prior to our meeting 23 and express a great deal of curiosity regarding this 24 turnaround again, the second turnaround by the BAR, and 25 I would ask if anyone present in the audience from BAR

might be able to come up and share any information associated with what motivated that turnaround so that we might better understand how to do our work so that it receives adequate or appropriate consideration from the agencies. MS. MORROW: Well, I will comment from ARB I know that Tom and Dick made a commitment to work together and I think that they have, you know, through this process they have done that, and that's -CHAIR WEISSER: Yeah, I think that's wonderful and I think it's the sort of interagency cooperation that, frankly, everyone should expect, and I think these two people are both well intentioned and professional and glad to see them working toward that end, but I see no one from BAR rising to the inquiry. MR. RAMOS: Hi, Wayne Ramos again. Yeah, as Sylvia had mentioned, the report has been approved by the Bureau Chief Dick Ross. It's been disseminated up to our legal department. It will not become public until it is established that it is released for public dissemination, so at this point in time it's DCA legal and agency that's looking at the report and we can't release that until they've approved it. CHAIR WEISSER: I certainly understand that.

I am kind of curious as to what motivated the

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1 turnaround in terms of the opinion of BAR regarding the 2 recommendations that are in the report, the same 3 recommendations this Committee endorsed, and perhaps 4 Chief Ross might want to describe that to us maybe next 5 meeting or you could describe it to us on his behalf. 6 MR. RAMOS: I'll certainly take that back to 7 Dick. 8 CHAIR WEISSER: Any questions or comments on 9 I think it's good news and I'm really pleased. 10 I'd like to see it move forward as expeditiously as 11 possible. Every day that we don't have the report out 12 is another day the Legislature and the Administration do not have the benefit of your best thinking in terms 13 14 of cost-effective improvements to reduce emissions. John. 15 16 MEMBER HISSERICH: You, I think, started to 17 allude to the content of the addendum or the caveat 18 that was put there. 19 MS. MORROW: Yes. 20 MEMBER HISSERICH: Can you describe that a 21 bit more as to what essentially it says in essence? 22 MS. MORROW: Well, whenever, like when the 23 ARB goes through its public process and does a control 24 measure or anything like that, it's fully vetted 25 looking at, you know, taking a good look at what are

the emission reductions, how cost-effective are the emission reductions, what are the impacts to industry, what are the impacts to various groups. So those things are going to be in the current report. A lot of it is just, it's very draft form so any of those type of things that are needed to push a regulation through or a thought through will need to be fully vetted.

MEMBER HISSERICH: And those are the things that BAR feels more comfortable including in the addendum and that's what we think may have motivated -

MS. MORROW: I think just looking at all the impacts to everyone, the industry, the consumer and the air quality, is important to both BAR and ARB.

MEMBER HISSERICH: Thank you.

MS. MORROW: Okay. Just a few more items.

ARB will be releasing a new working draft version of the EMFAC model this June. The model will be used for the upcoming eight-hour (inaudible) 2.5 SIP's that are due out in 2007 and 2008.

Also, the ARB El Monte laboratory is just starting a program, they should be starting within the next couple weeks or have started to take roadside low pressure evap failures, bring them into the lab and do the test, determine if there is a leak or if there isn't a leak and then do a passing test. The reason

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    that they're doing this is that in 2002 ARB and BAR did
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    a joint low pressure evap testing program and there was
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    a very significant amount of false failures, and so
    this is one of the things we're looking at is are the
    false failures really that high. We don't think it is.
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    We think that with the changes in the testing equipment
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    and the changes in the procedures, that we don't
8
    anticipate an excess false failure rate.
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              CHAIR WEISSER: On the evap test.
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              MS. MORROW: On the low pressure evap test,
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    yes.
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              CHAIR WEISSER: Can you talk to us a little
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    bit about the agreement that you made to settle the
14
    threatened lawsuit in 2000 over the failure of the
15
    system to -
              MS. MORROW: Well, there is not currently a
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17
    lawsuit due to the -
18
              CHAIR WEISSER:
                              The agreement.
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              MS. MORROW: Well, we have an agreement that
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    we made with USEPA that we would implement improvements
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    to the Smog Check Program, and we have implemented all
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    those improvements. BAR has implemented all of the
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    improvements. The only one left is the low pressure
24
    evap test and there have been numerous issues on it and
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    we have been, BAR and ARB has been diligently working
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on these issues. It has taken some time. And this 1 2 false failure rate appears to be one of the last issues 3 that needs to be clarified before we can go ahead with 4 the program. There's a California state law that states 5 6 that you cannot have more than a 5 percent false 7 failure rate, the Bureau, in any of its testing 8 programs, and since early data showed that it was in 9 excess of 5 percent, we needed to re-evaluate this to 10 ensure we met that requirement. 11 CHAIR WEISSER: Early data? I'm not sure 12 what that means. 13 MS. MORROW: In 2002 using a prototype tester 14 they did some analysis in El Monte, and so right now 15 our laboratory in El Monte is using some production 16 model testers with some additional improvements and we 17 think that it will bring the false failure rate to 18 below 5 percent. 19 CHAIR WEISSER: The evaporative test is, of 20 course, used in a handful of other states. 21 MS. MORROW: Yes, it has. 22 CHAIR WEISSER: And do they have false 23 failure rates exceeding acceptable levels? 24 MS. MORROW: You know, we've tried to get 25 that data and we haven't really heard anything. Those

1 programs are centralized. Also, if you look at those programs, they don't put a lot of effort into testing applicable cars. If it isn't easy to test, they won't test it. They have, you know, the test is applicable to 1995 and older vehicles, and just to give you an 5 6 example, and this was one of the variabilities we were 7 looking at is that in Kentucky out of those 1995 and earlier vehicles, they were only testing 18 percent, 8 9 which means that out of those cars, 82 percent they 10 were saying they couldn't perform the test. In another state it was 50 percent and then in Arizona it was up 12 to 60 percent, so there were some issues with the tester. And like I said, in a centralized program it's 13 14 a little bit different than when it is a decentralized 15 program like in California. CHAIR WEISSER: Dennis? MEMBER DECOTA: On the evaluation that was 18 performed and the agreements between BAR and ARB and the feds with regards to program changes, is that 20 agreement privy to the IMRC Committee?

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MS. MORROW: That August 2000 letter, I think Rocky could give you a copy. I think I have given him the link so he can provide you with a copy of that.

24 MEMBER DECOTA: Were there any public 25 hearings on that?

1 MS. MORROW: You know, that was before my 2 time. 3 CHAIR WEISSER: I'm almost certain, Sylvia, there weren't. MS. MORROW: I think it was a ARB/BAR thing, 5 6 I think there was. I'm not sure, don't quote me. 7 MEMBER DECOTA: And the second part of my question is on the draft report. Once it gets approved 8 9 by DCA legal, will it encompass the impact upon the 10 Smog Check industry with regards to the changes in the 11 program via Carl Moyer and that type of thing, the 12 amount of impact it's had on testing, the number of tests and I guess the amount of emissions; i.e., that 13 14 were either decreased or increased because of that? 15 MS. MORROW: It will look at the emission 16 impact from those changes in legislation, but it did 17 not look at the number of cars or anything like that. 18 MEMBER DECOTA: So will it look at the 19 economic impact that it had on the Smog Check industry? 20 MS. MORROW: Well, I think the economic 21 impact was already in the initial report from any of 22 those recommendations. 23 I'm talking about MEMBER DECOTA: 24 specifically the Administration's waiver of vehicles 25 zero to six years and changing the change of ownership

1 dates and those impacts.

MS. MORROW: I don't think that we included the impact from going from a four-year exemption to a six-year exemption. I know that we did look at the impact in the original recommendation for clean screening on a partial basis. As far as the four-year and newer, in the report since we did recommend two-year and newer, we did discuss that impact in the report.

MEMBER DECOTA: I think it's vital that the legislative bodies and we as ARB and BAR and everybody involved in this program realize the impact of that type of action by the Administration, whether it be positive or negative or what the true emission inventory's loss or gain will be and the economic impact. I hope that the agencies will take that into consideration. Thank you.

MS. MORROW: I'm not sure, did the IMRC include that impact in their report?

CHAIR WEISSER: The impact of the — we, I believe, wrote a letter to the Administration associated with its proposals which highlighted our concerns in that regard. We did not perform any sort of macro or micro economic analysis, period.

I remember your report, however, did discuss

1 at the same 50,000 foot level, you know, your anticipated impacts of various recommendations 2 3 associated with the industry. MS. MORROW: Yeah. 5 CHAIR WEISSER: I also don't think you did 6 any sort of macro or micro economic analysis or a 7 quantitative analysis. MS. MORROW: I think we did in the ARB/BAR 8 9 report we did have a dollar figure on the impact to the 10 stations and the consumers for each of the 11 recommendations. 12 CHAIR WEISSER: And I just frankly don't 13 remember. 14 I have a question regarding the EMFAC model. 15 MS. MORROW: Okay. 16 CHAIR WEISSER: Is that model capable of 17 calculating the emissions benefit of, let's say, annual 18 testing for older vehicles and the annual testing of 19 high mileage vehicles? I mean, you have a number that 20 you anticipate getting in terms of emission reductions 21 in your report. Is that based on the EMFAC analysis or 22 is there something else that works in that regard? 23 MS. MORROW: I believe as far as the annual 24 inspection, that was based solely on the EMFAC model. 25 As far as the high mileage calculation, that was based

on test data of the before and then the repairs of a high mileage taxi fleet.

MEMBER DECOTA: Is there — I think that ARB for most of its decision process uses the EMFAC modeling in order to determine the amount of emission reductions that a certain program would give. Also, the machines have the capability of having evidence of emission reductions that are quantifiable per unit per facility. Is that information available, and if so, how could the Committee see that?

MS. MORROW: Well, as far as that information comes from the VID, and I'm not sure if Rocky gets that data from BAR, but that comes from BAR. But you'll have to remember, Dennis, that currently the fast pass system is on, so you couldn't really fully evaluate the emissions because as soon as it passes it passes the car rather than if you have it over a standard period of time for all cars, so all the records are not the same.

CHAIR WEISSER: Though you would end up with a, if you used that as a baseline and you say, okay, we'll assume the worst, that it's just passing, you would end up with an overly conservative estimate as to the benefits of the program.

MS. MORROW: Yes, I would say so.

MEMBER DECOTA: No, I understand. And when we went to the original enhanced program, part of the rationale was to get quantifiable emission reductions from each individual station doing the testing. This industry representative has been involved in this for a long time and has never seen any figures that relate to actual hardcore non-modeled reductions. I would very much like to, and I think the Committee would be interested in seeing what the accountability is of hard emission reductions versus the modeling. I mean, that's the whole idea of my question here.

MS. MORROW: Well, and I think we did address that in our 2004 report. We compared the output from the bottle with roadside data, and as far as the emission reductions associated with Smog Check, they very closely correlated.

MEMBER DECOTA: Thank you.

CHAIR WEISSER: I think this is actually an interesting area for us to address as part of that analysis that we said we're going to do regarding our suggestions on future program evaluations. That might be one notion of calibrating or just comparing in addition to the roadside tests. And we'll talk about that a little longer.

I just wanted to take this opportunity to thank Sylvia and Wayne for really good reports and great patience with us and I very much appreciate your participation here.

MS. MORROW: I just have one more, and I'm sorry. Just to let you know, the post repair cut points White papers are still under management review, so that's my status on that.

CHAIR WEISSER: Thank you very much.

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Ladies and gentlemen, we are at the point in our meeting where we could begin to spend some time reviewing certain aspects of the report topics that we're working on. Rocky, I think the first one on our list is the pre-conditioning. Do you want to walk us into that one?

MR. CARLISLE: That's been an issue that we've discussed for quite some time whether or not vehicles being properly pre-conditioned when they come into the shop, whether they, for example, if they sit for several hours prior to testing, do they get too cold and then when they're tested they have a false failure and then subsequently they go to another station and they pass, resulting in an unacceptable ping-pong rate, but we don't have any hard data on that

1 so what we wanted to do was do a survey, and we've come 2 up with a survey. Dr. Williams and I are working on getting the 3 data for the stations. What we want to do is take the high volume stations and we want to take 200 of each 5 6 station type, 200 Gold Shield, 200 test-and-repair and 7 200 test-only stations, and then we have a series of questions we're going to ask them, including the last 8 9 three are demographics. 10 So, hopefully, like I say, we plan to start 11 that when Jan comes back off her vacation around the 12 15th of next month and it'll take us probably a couple 13 of months to compile all the data for that, and I'm 14 hoping to work with Dennis and Bruce and possibly get 15 some of Ms. Lamare's expertise on sampling in there. 16 CHAIR WEISSER: Any comments? Jeffrey. 17 MEMBER WILLIAMS: Looking at the questions, I 18 was puzzled by what may just be as you run through is 19 the test-only station how could they have done some 20 pre-inspection repairs, that's question 12. 21 CHAIR WEISSER: Jeffrey, turn your mic on. 22 MEMBER WILLIAMS: Well, it is on. 23 CHAIR WEISSER: Okay. 24 MR. CARLISLE: Essentially, they can't do any

pre-inspection repairs unless, for example, if they did

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    in fact have the pre-heat tube on a thermostatic air
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    cleaner, something like that, they would be allowed to
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    reconnect something minor, but it wouldn't be something
    they would charge for.
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              MEMBER WILLIAMS: I wondered if we could ask
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    a further question, which is, do you know that the car
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    has failed previous tests? There's one about do you
    take any time between that, but what if it comes in
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    cold, so to speak?
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              MR. CARLISLE: Um-hmm.
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              MEMBER WILLIAMS: I just wonder if there's
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    more attention to the proper conditioning if the client
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    says I went to some other place and I failed and I'm
14
    sure my car's fine.
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              MR. CARLISLE: So you're suggesting we ask
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    the technician that.
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              MEMBER WILLIAMS: Yes.
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              MR. CARLISLE: Are you aware that the vehicle
19
    previously failed?
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              MEMBER WILLIAMS: Or do you do anything
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    different if you know the vehicle has failed? There
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    might be more attention to -
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              MR. CARLISLE: Oh, I see what you're saying.
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    Okay.
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              CHAIR WEISSER: That's a good question
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    actually.
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              MR. CARLISLE: Yeah.
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              CHAIR WEISSER: Jude. I'm sorry, Jeffrey?
              MEMBER WILLIAMS: That was it.
              CHAIR WEISSER: Okay. Jude.
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              MEMBER LAMARE: Well, I guess we have some
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    opportunity to fine tune the questionnaire, but it
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    occurs to me that the question might be, do you
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    consistently use the same pre-conditioning procedure
    with every vehicle that comes in, and if yes, you know,
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    which procedure is it, and if no, which procedure do
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    you use most.
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              CHAIR WEISSER: So you would modify question
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    number 9.
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              MEMBER LAMARE: Looking at question number 9,
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    I'm wondering if actually they vary their procedure and
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    you really want to know what variability there is.
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              MEMBER WILLIAMS: That's what I was trying to
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    get at, too.
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              MEMBER LAMARE: Okay. That's what I was
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    picking up from you.
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              CHAIR WEISSER: Those are good suggestions,
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    Rocky.
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              MR. CARLISLE: Yes.
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              CHAIR WEISSER: Dennis?
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              MEMBER DECOTA: I think it's important too
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    that they have the ability to answer the question as
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    what is their pre-conditioning procedure and then check
    it back to the pass/failure issue so that we can make
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    later on a recommendation as what could be the best
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6
    procedure to implement in the industry.
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              MR. CARLISLE: We do have that in number 9.
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              MEMBER DECOTA: Okay, but do we allow them to
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    have any input as, you know, per se their own
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    procedures for doing pre-conditioning? We've given
11
    them a list, a menu.
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              CHAIR WEISSER: Maybe open-ended.
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              MR. CARLISLE: Okay.
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              MEMBER DECOTA: Open-ended. That we may not
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    appreciate at this point in time, is all I'm saying.
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              MR. CARLISLE: So do you use some other type
17
    of pre-conditioning procedure other than those listed?
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              MEMBER DECOTA: If so, what is it? Make it a
19
    little bit of an essay question.
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              CHAIR WEISSER: Dennis hereby volunteers to
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    read the essays.
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              MEMBER DECOTA: Well, if we're going to take
23
    the time let's do it right.
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              CHAIR WEISSER: I agree, Dennis, and these
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    are good, all three very constructive suggestions.
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1 MR. CARLISLE: No, that's great. 2 CHAIR WEISSER: Are there any further 3 comments? Very good. Any sense of timing on this? MR. CARLISLE: I think it's going to take a good four to five weeks to collect the data. 5 6 haven't really tried this out. Our telephone caller is 7 going to be Miss Janet Baker over there, and so we'll find out when she comes back. 8 9 CHAIR WEISSER: Jude? 10 MEMBER LAMARE: Yeah, another way to approach 11 number 9 would be to say, now I'm going to read you 12 some pre-conditioning procedures and ask you whether 13 you ever use that procedure, and maybe it would go down 14 this list and then there would be a G, some other 15 procedure, and once you know which ones they use, then 16 you can say now procedure A, allowing the vehicle to 17 idle for three to five minutes, how often do you use 18 that procedure, you know, always, sometimes? And on G, 19 something else, what is that procedure that you use, 20 and that's the open-ended part. 21 CHAIR WEISSER: We have a comment from the audience I'd like to recognize now, Mr. Ward. 22 23 MR. WARD: Thank you, Mr. Chairman. 24 Ward representing the California Emissions Testing 25 Industries Association. I applaud the Committee for

taking this on because I think it's long overdue. A couple of quick thoughts.

The number one problem that I think Dennis's folks and my folks face are the failure at a test by vehicle and then going down the street and passing, which is substantially related to the pre-conditioning, which I think you've heard many times which is serving as motivation for this questionnaire, and I think Dr. Williams spoke to that in raising the issue, and I think it needs to be a specific question. I think the question needs to relate to how frequent do you encounter this kind of a problem or is this problem do you consider it to be frequent or do you consider it to be major or something like that.

Secondly, a thought, and I was looking at question number 9 on the use of the pre-conditioning procedure. You might ask the question, does your pre-conditioning procedure change depending on age and mileage of the vehicle? It's a pretty simple question and I think most in the business recognize that what we're talking about here substantially is the cat, and anywhere between 70,000 and 100,000 miles that cat has lost a substantial amount of efficiency that pre-conditioning is going to effect, so the techs know that, so I think that might be worthy of some at least

1 alteration into question 9 or a subset of question 9. 2 Thank you. CHAIR WEISSER: That's a good suggestion. 3 Randy, before you leave, the suggestion that you ask 4 is, have you experienced failing a car and then only to 5 6 have it go down a few blocks away and have it pass, 7 haven't we heard enough of that to kind of say, well, 8 we know that it's happening a lot? I mean, I'm just 9 not sure we'd gain anything at least analytically from 10 that. We've gotten tons of anecdotal data. I can see 11 that comment is raising reaction, so Jude? 12 MR. WARD: I see where you're going and I 13 don't necessarily disagree. You've heard the anecdotal 14 information, the Bureau has heard the anecdotal 15 information, and as Mr. Carlisle can attest to, the 16 original process for pre-conditioning was altered 17 almost immediately because of problems, and the 18 original process, if that original process as outlined 19 by Mr. Carlisle at the onset on this program would have 20 been adhered to, we probably wouldn't be struggling 21 with this issue today. So the issue has been 22 substantially more anecdotal more with the Committee, 23 but it has certainly been analytical with the Bureau 24 and nothing has happened, and I think it may well be 25 that it's a consumer-related issue. But in any event,

1 thank you. 2 CHAIR WEISSER: Thank you. Jude? 3 MEMBER LAMARE: Well, the purpose of research like this is to confirm or deny anecdotal evidence and 4 see how widespread it is. I think we found with our 5 6 consumer information survey that some of the anecdotes 7 that we heard repeatedly in Committee represented a 8 small part of the overall picture. 9 CHAIR WEISSER: And your belief, and I'm 10 realizing I may have made a mistake yet once again, 11 your belief is that by asking station owners that 12 you'll be getting a statistically valid compilation of 13 their impressions. I mean, that's the most you could 14 hope. You're not going to be actually getting 15 statistically valid data on how many times this happens 16 or anything like that. And I think that's worthwhile, 17 I don't have a problem with it. 18 Jeffrey. 19 MEMBER WILLIAMS: I wanted to ask Mr. Ward 20 what he thought of our idea of sampling the more active 21 stations. Are we going to regret that later? We're 22 not going to learn about pre-conditioning because 23 they're so active? Speak now or - please. 24 MR. WARD: You know, you're a better judge of

what is going to be statistically accurate here than I

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am, Dr. Williams. I'm kind of reacting just having looked at the questionnaire this morning. You know, as I was walking up to the podium it struck me that you might want to have a range in terms of the number of vehicles tested and see if there is any difference from an analytical standpoint. Thank you.

CHAIR WEISSER: Dennis?

MEMBER DECOTA: I was thinking as we were going through this, you know, one of the, I think the most effective responses to any survey would be the consumer. We as a Committee have the ability to do surveys and phone conversations. Don't we have the ability to go through DMV over a certain period of time, say 30 days, throughout the counties and pick out consumers that had a Smog Check and send the survey to them directly from IMRC, returned to IMRC on these issues? Wouldn't that be the real litmus test for surveys?

I mean, you know, my industry has procedures that are set by different companies that participate in Smog Check. As a person taking the survey, am I'm going to do what my boss instructs me to do or what I really do? Does that make sense?

CHAIR WEISSER: It sure does to me. I think you'd have actually a better shot at finding out what's

happening that way. I don't know how easy it is to get that information, how expensive it is to conduct that sort of survey. Rocky?

MR. CARLISLE: My concern fundamentally with that is when you get to the consumer level, if for example they fail because the monitors weren't ready, that's technically not a pre-conditioning issue, that was because somebody disconnected the battery cable because the mill light was on, for example. There's a lot of reasons the vehicle could get kicked out of the test that the consumer, the only thing they know is that they were rejected and now they have to go back for another test, so I don't know how valid that would be. I'm a little concerned about that, to be honest, from the consumer's perspective.

CHAIR WEISSER: Dennis?

MEMBER DECOTA: Yeah, I can't help but feel that your concern has legitimacy, but also the issue is what do we want the program to look like to the consumer? The consumer wants a program that is user friendly. If there's problems, don't we want to know it and why those problems are being created? And what is the harm in going to the people that pay for the program and asking them their experience? I don't see it, I'm sorry.

1 MR. CARLISLE: I think that's a different 2 survey. I think that's got validity, but I think it's 3 a different survey than pre-conditioning. CHAIR WEISSER: My suggestion is that I think 5 in the next few months we're going to find a desire and 6 opportunity for many things to investigate that would 7 benefit from consumer survey, and it might be best for 8 us to look at that in the context of the item of, you 9 know, the standardized methodology to check for Smog 10 Check Program evaluation. We might want to create kind 11 of an idea box where we put in suggestions that might 12 merit falling into a consumer survey. 13 MEMBER DECOTA: I absolutely agree, yeah. 14 CHAIR WEISSER: So I think this might be a 15 good idea. What I might suggest, Dennis, is that you 16 try to write it up a little bit and flush it out and 17 send it to Rocky and then you can send it on to the 18 rest of us, so we pin this down. 19 We have a couple of comments or questions 20 from the audience, and we'll start with Bud, come on 21 up, and then Chris. 22 MR. RICE: Good morning, Bud Rice with 23 Quality Tune-up Shops. Couple of just fast comments. 24 First one in regards to pre-conditioning, I 25 think it kind of goes back again to expectations, and I

think Mr. Ward said to you as well, Rocky, that from a shop's perspective, and I'm going to speak exclusively from a shop's perspective, what is it we're supposed to do, okay?

Because when you really think about it, with Mr. Williams' question, if somebody comes in and says, hey, I failed down the street, I want to pay for another test and have you guys test it because I just want to double check on those guys, they are going to be on a different kind of alert. Believe me, they are going to be on a different kind of alert. Probably do a longer pre-conditioning sequence, you know, in an attempt to do a couple things; provide service to that customer because the guy had a problem, see if they can't get this guy through the system and through the program. So again, what are the expectations that you're asking shops to do?

Because really when you think about it, the cleanest program would have been test them as they roll, meaning you don't do anything to the car, you don't mess with the car, you don't do anything with the car. It rolls, gets tested, and whatever happens, happens. But we went away from that in a lot of different areas, and so as soon as you break off from that, now you have a ton of different variables that

now enter into things, including pre-conditioning. 1 2 Oh, then the other one was, again Mr. 3 Williams, your question is, does it make sense to go to the busy shops? My suggestion would be if you're going 4 to go duck hunting, go where the ducks are, and if 5 6 those guys are doing a bunch of tests, they have a lot 7 of information both in terms of what they see, spectrum's wider, and what kinds of actions do they 8 9 take to service that wider spectrum. So I think, 10 again, if you're going to go duck hunting, go where the 11 ducks are, that's where you're going to get the best 12 data, I think. 13 Thank you everybody. 14 CHAIR WEISSER: Thank you, Bud. Chris, 15 please. 16 MR. ERVINE: Chris Ervine with STARS, 17 Coalition of State Test-and-repair Stations. I have a 18 couple of concerns with the survey here. 19 First off is ambient temperature. If a car 20 sits for five minutes and it's 35 degrees outside, that 21 car has cooled off a lot more than a car that's sat for 22 five minutes at 110 degrees outside. Also, the 23 vehicles that sat, say, for even a half an hour at 35 24 degrees is going to get a lot longer pre-conditioning 25 than a vehicle that's sat for a half an hour at 110

degrees, so we have a problem here. You take this survey today as we're just coming out of the cold weather and take it again in August, I think you're going to have two different surveys.

Also, the current program that we have, if a vehicle fails a two-speed idle test, it is directed by the smog machine, or the technician is directed by the smog machine to pre-condition that vehicle at high idle for three minutes and then re-test the vehicle.

There's a little bit of an inequity here, I feel, between the loaded mode testing and the two-speed idle test.

My feeling is that these vehicles should be run on a dyno for at say between, you know, a much wider range than the two miles an hour that's allowed, but say between 25 and 35 miles an hour for at least a minute or a minute and a half and then brought down to idle and then brought back up and tested there. That way, the catalytic converters are brought up to temperature and are working, and if they're all tested the same way, we're going to get the same kind of numbers. And pre-conditioning the car for, say, six minutes at 3,000 rpm prior to immediately testing it might be — might change the numbers if you have to go from a specific mile per hour and then bring it back

down.

I think that's it.

CHAIR WEISSER: Well, good comments, Chris.

I guess they recognize that the survey itself is not going to be the basis for a recommendation in this regard. What we're trying to do is what are the practices out there? The comments that you made regarding the climate as well as the time of year are things I think we need to step back and think about in terms of the survey, and I don't have any great ideas off the bat, but I'm sure the subcommittee will refine, but those are good comments, Chris.

Anybody else have a question or comment to Chris? Thank you. We'll go to the back and then back up to the front.

MR. CHERRY: Good morning, I'm Mike Cherry,
I'm a test-only operator and, yes, there is a problem
with the pre-conditioning, some things that maybe you
want to keep in mind as to what you're really trying to
accomplish.

I would think that we want to be measuring the vehicle pretty close to trying to simulate it as it's been driven down the highway. What happens to us a lot of times is we'll fail a vehicle and it'll go down the street and then it'll come back. Our

observation is that the vehicle has probably been overly pre-conditioned, so it's been overly warmed up where it's actually the catalytic converter has actually lit off more than it would actually be if it were being driven down the highway.

So if you're going to come up with some kind of a method to pre-condition the vehicle, I think you need to compare it to actual driving, and I would think the roadside would give you some pretty valid data. It's my understanding that the vehicle's tested immediately as it's taken in, is that right, so it's as driven, and it would seem to me that that would be good.

We see vehicles that fail and then they get approved for the CAP program, and then subsequently they go to a repair shop and the guy that's hoping to repair their car and make money on it will barely, barely pass.

Well, to my way of thinking, that car's still broken and it really hasn't been repaired and it's just barely passing even if it's been maybe overly conditioned, so there are some issues out there and it causes the operator to have egg on their face I think both ways. Like Buddy said, the second guy, he has a little more at stake when he goes to test the car

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    because all of a sudden he's in charge of making that
2
    car pass. Thank you.
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              CHAIR WEISSER: Hang on for a second. Member
    DeCota has a question of you.
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              MEMBER DECOTA: Mike, as far as the probably
6
    having a great volume in testing at your facilities,
7
    what do you think on a hundred tests would be the
8
    percentage of cars that you would see back maybe as a
9
    consumer complaint for this type of issue?
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              MR. CHERRY: It's not a high percentage, but
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    it's enough to -
12
              MEMBER DECOTA:
                              Is it two out of a hundred?
13
              MR. CHERRY: I don't even think it's that
14
    high.
15
              MEMBER DECOTA: Really?
16
              MR. CHERRY: We don't always get that
17
    feedback either.
18
              CHAIR WEISSER: But when it occurs -
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              MR. CHERRY: They may complain to somebody
20
    else instead of me. They may call the Bureau and go,
21
    hey, that guy failed my car and I might never find out
    about it.
22
23
                                     That's fair.
              MEMBER DECOTA: Okay.
24
    just trying to get a feel for what the -
25
              MR. CHERRY: Yeah. Good idea.
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MEMBER DECOTA: Okay.

MR. CHERRY: Yeah, we do have a high throughput and cars rarely sit around too long, so they're in and they're out and we don't perform any particular pre-conditioning. But there are several groups of vehicles, for instance, the mid-nineties Chevrolet pickups, a lot of them will fail and they probably never should have been certified, in all honesty, and I think your roadside probably points that out.

But anyway, we'll give that car a second chance if it's borderline, we'll immediately re-run a test just because we know that that guy's probably going to go down the street and get a pass and then -

MEMBER DECOTA: You got a problem.

CHAIR WEISSER: Thank you. Yes, sir.

MR. POLLINO: Good morning. My name's Andy Pollino with the Automotive Service Councils of California. Just regarding Mr. DeCota's suggestion about surveying some of the consumers also, it just occurs to me that with the information that's in the VID, you can pick out vehicles that have failed and then in a short period of time, whether it's a couple of days or a couple of hours, a vehicle gets passed and had no repair data entered, and if you focus on those

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    vehicles and survey both shops and the consumer, I
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    think you can get a better picture of what's happening
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    on those cars where there's apparently no repairs.
              MEMBER DECOTA: Which I believe in the last
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    report was somewhere close to 30 percent.
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              CHAIR WEISSER: What's 30 percent, Dennis?
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              MEMBER DECOTA: The cars that fail, initial
8
    failure, and then come back and pass at a second test,
9
    that there's about a 30 percent drop-off where there's
10
    no accountability between the first test, the repair
11
    and a re-test.
12
              MR. POLLINO: I don't know. I haven't
13
    studied that myself.
14
              MEMBER DECOTA: Am I right or wrong, Rocky,
15
    you know?
16
              MR. CARLISLE: I'm not sure of it, to be
17
    honest with you.
18
              CHAIR WEISSER: There's your answer.
19
              MEMBER LAMARE: Well, Dennis, could you be
20
    more explicit when you say what study are you referring
21
    to, what data?
22
              MEMBER DECOTA: It was data either given by,
23
    I believe ARB or BAR, okay, on pass/failure ratios
24
    that, Jeffrey, I don't know if it was in your report, I
25
    forget, but I'll find it for you. But out of a
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1 percentage of cars that failed their initial test that 2 pass on their second test, there was at least a 30 3 percent of those vehicles were undocumented repairs. In other words, they did not go to a licensed ARD for a 4 5 smog-related repair to that vehicle before being re-6 tested. Does that got it? 7 MEMBER LAMARE: Yeah, I just want to know where to go look for it. 8 9 MEMBER DECOTA: Okay. 10 CHAIR WEISSER: Okay. Len? 11 MR. TRIMLETT: Len Trimlett, smogrfg. Again, 12 Victor, trust me. I was thinking about this while you 13 were discussing it here. What we're saying is in the 14 survey, what is the procedure that each station goes 15 through and how does that procedure change. Let's think about it a little bit further. What's the real 16 17 issue? 18 You're saying, does that cat when it's heated 19 up bring the emissions down to where it's going to 20 pass? Okay. Now let's back off and change the question. What is the variation in emissions for a 21 22 vehicle if you go from a, take the vehicle cold right 23 out of the parking lot, test it. Now let it sit for a 24 couple minutes and then test it again, then let it go 25 through a complete cycle of five minutes, ten minutes,

whatever you want for warming up and what is the result?

It seems to me that what you're leading to here, if you really want to answer the question what does pre-conditioning have effect on the vehicle, you're really saying, what does the change in temperature of that cat have on whether the vehicle is going to pass or fail, so you're really looking at a catalytic converter versus the hydrocarbon, carbon monoxide and NOX levels as a function of how long you pre-condition it.

Seems to me that that would be leading to a separate study that comes up and either BAR or CARB would be looking at how those vehicles actually perform under these pre-conditioning things as a function of the cat. So I think you really want to lead this into a study of cat temperature versus each of these pre-conditioning modes. Thank you.

CHAIR WEISSER: Thank you, Len.

Ladies and gentlemen, I think that will conclude the discussion on pre-conditioning for today. There has been a suggestion made that we take a tenminute break and then return. We will work after we return till the next logical break for lunch, and then we'll take a short lunch break. So if there's no

1 objection, we'll take a ten-minute break for now. 2 will start, believe me, on time, so we'll see everyone 3 in ten minutes, we'll adjourn for ten minutes. 4 (Off the record.) -000 -5 6 CHAIR WEISSER: Okay, we'll come back into order. Is the tape on? Very good. Cell phones are 7 off, I hope. 8 9 Okay, I want to note for the record Paul 10 Arney has survived his travel challenges and has 11 arrived. Welcome, Paul. We're talking about going 12 into report topics, and what I think I will do is just march down these to see if there's any additional new 13 14 information until we arrive at one of the items that 15 will necessitate further discussion. 16 Comparison of test-only, test-and-repair and 17 Gold Shield performance. Jeffrey, anything new you'd 18 like to share? 19 MEMBER WILLIAMS: Nothing new. 20 CHAIR WEISSER: Nothing new. 21 Consumer information study. Jude, is there 22 anything you'd like to share? 23 MEMBER LAMARE: No, thank you. 24 CHAIR WEISSER: Determine causes for program 25 avoidance. How is that subcommittee going? Rocky.

1 MR. CARLISLE: Looks like both members are 2 gone. We're still looking at that. You know, we may 3 be able to use some of the DMV data we have, and my thought was, I haven't talked to the subcommittee about 5 it but when I got the data I was thinking about it, to 6 compare the DMV data and see which one of those cars 7 has not received a Smoq Check in the last 24 months, because that would indicate, you know, avoidance of the 8 9 program, because the DMV data we've got is actually 10 every registered vehicle totally separate of the Smog 11 Check Program. 12 I would really CHAIR WEISSER: Okay. 13 appreciate a report at our next meeting from the 14 subcommittee if you could make sure the folks you get 15 together with them and start outlining a study 16 methodology. 17 MR. CARLISLE: You bet. 18 CHAIR WEISSER: Post repair Smog Check cut 19 points. 20 That is one that Sylvia had MR. CARLISLE: 21 mentioned they're still reviewing the report. I'm not 22 sure, I'm assuming that must be a report from a 23 contractor that they've received, but I don't know that 24 That was the one that we discussed last for a fact.

summer and was going to be delivered to us by the end

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    of summer. It's been postponed, but I understand that
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    they are moving forward with that, and so as soon as we
3
    get that report then we can give us an opportunity to
    review that.
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              CHAIR WEISSER: Very good. And Sylvia, any
6
    suggestions as to timing when we'll receive that
7
    report, remind me again, the post repair Smog Check cut
8
    points.
9
              MS. MORROW: Are you talking about the White
10
    paper that I had discussed earlier?
11
              CHAIR WEISSER:
                              Yes.
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              MS. MORROW: You know, like I said, it's
13
    under management review and it has been for some time.
14
    I have no idea.
15
              CHAIR WEISSER: Thank you. I'm going to skip
16
    (f) for a moment and go to (g), standardized
17
    methodology for Smog Check Program evaluation, and
18
    perhaps to kick this off I'd like to read to the
19
    members and the public an email I received from one of
20
    our interested parties, Don Steadman, and he wrote this
21
    to Rocky. Rocky shared it with me, I'm not sure if it
    went to the full Committee. Let me read it because I
22
23
    think it's some input for that report.
24
                             "In case it is any
25
              help, I have one comment on your
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1 agenda, namely concerning standardized method for I&M program 2 evaluation. An I&M program is supposed to reduce on-road emissions. On-road emissions is 5 what CARB's remote sensors measure. They have 15 of them, I believe. To the extent they are using this investment, then the results should 10 be used to evaluate your I&M program. Your on-road emissions 11 12 results get closer to I&M 13 'evaluation' than any number of 14 statistical and mathematical evaluations of failure rate and 15 16 repair cost and waiver rates and 17 all the other parameters which go into conventional I&M evaluation. 18 19 On-road data can be mined to 20 determine if there is any 21 difference in in-road emissions 22 between vehicles of the same age 23 and make, if you wish, which are 24 tested at the various sorts of I&M 25 stations in California."

1	He also says that,
2	"I would like to take this
3	opportunity to invite any
4	interested members of your
5	Committee to observe on-road
6	emissions in real time at top of
7	the ramp from LaBrea southbound to
8	I-10 eastbound the week of October
9	17th through 21st where
10	measurements will be undertaken for
11	the CRCE-23 program." God knows
12	what that is.
13	He did not say 'God knows what that is,' I
14	said that.
15	"The instrument will
16	be operating from six a.m. to five
17	p.m. each day," blah-blah-blah-
18	blah.
19	So it's an input that I'll give to $-$
20	MEMBER LAMARE: I have a copy, who needs it?
21	CHAIR WEISSER: Anybody want a copy of this?
22	Thanks. Any comments on any of that? Okay.
23	Lastly is of the report topics, (f),
24	organizational placement of Smog Check. During the
25	last month following our discussion on the work in

progress, the draft — which is why folks in the audience don't have copies of it, it is a work in progress — we made substantial changes in terms of kind of the organization of the report and modest, I'd characterize them, modifications in terms of the content and wording. And by we, I mean principally Rocky Carlisle, myself, John Hisserich came forward with some suggestions, and as did Gideon Kracov, who I'm sorry who's not here today, he independently did I think a lot of good thinking about how to strengthen the report. But any blame associated to the nature of this draft should be squarely aimed at me and not Rocky, John my partner on this, or Gideon.

What we've tried to do is organize it into basically four sections: a very brief discussion of the issue, a recommendation, a more lengthy background and discussion section, and then a listing of the options that we considered.

I still have a few suggestions which I'll make as we go through this, but before we do anything further, it is particularly important on this item that each of you have had an adequate period of time to review this before we discuss it, so if any Committee member hasn't had a chance to read it thoroughly, I'm perfectly willing to take a five-minute deep breath and

allow everyone to review it carefully before we get into further discussion.

Okay, so we're going to take a break. We're going to remain in session while members who have not had a chance to carefully review this have such a chance. So please read away.

(Five minute pause on the record)

CHAIR WEISSER: Okay, have Committee members had an opportunity to complete their review? Very good. So what I'd like to do now is to have a discussion both covering the more global aspects of this issue paper as well as kind of any suggestions that might make sense editorially. I have a couple of those that I'll put out just up front and they're editorial in nature. And Rocky, you might want to get your copy out and tell us if you think what you're about to hear strengthens or confuses things.

We have in our background and discussion section a paragraph dealing with essentially the — does everybody in the audience understand what we're talking about at all? This is the issue paper that we indicated we would develop. We had developed an early draft but we wanted to develop a final draft to send out associated with the Lieber bill's recommendation to move elements of the Smog Check Program from the BAR

over to the Air Resources Board, and this was used by the Committee in draft form as kind of background to the decision that we took to support the Lieber bill at our last meeting, and what we're doing is just going to go into the guts of the memo and discuss it at more length.

At the very top of the second page there's a statement that starts off with, "Several times over the life of the Smog Check Program," and I just think from an editorial standpoint that you might want to — we should move that paragraph to a new paragraph starting after the line that says, "BAR's authority over the Smog Check Program is an anomaly to the overall role the ARB has in terms of state environmental regulations for mobile sources." I just think it fits there. It breaks up a section where we're talking about the history of both the formation of BAR, the formation of the Smog Check Program and the formation of ARB. That would be a suggestion I'd make, Rocky.

Towards the bottom of that page there's a statement, and I think Rocky, you added this after I sent you a draft that says, "ARB has successfully addressed consumer protection in many of its emission reductions program," and a couple of things there.

First, there's an apostrophe after 'its' that doesn't

belong, but I'm wondering if we might not want to identify a couple of examples where in fact ARB has had to deal with, you know, consumer reaction.

Now, I want to make sure everyone in the audience recognizes that the recommendation that we are making would not change BAR's role in terms of implementation of the program. However, it would provide that ARB essentially become the policy maker of the program, and then the implementation of those policies would remain the responsibility of BAR.

Is Sylvia still here? Fantastic.

Sylvia, could you step up to the microphone, because I want to ask you for perhaps some examples of ARB's interaction with consumers. I know you've been involved in issues associated with consumer products.

MS. MORROW: Well, I mean, as far as ARB has dealt with consumers per se, you know, we have quite a long public process and usually things are vetted before they make it to the board.

But I mean, not exactly consumers but we have dealt with like heavy diesel trucks, the trucking industry and various individual industries in which we have had regulations that individuals may not have been happy about and ARB has worked with them to resolve those issues.

A recent one was electrification of 1 forklifts. That was in our 2003 statewide strategy. 2 3 ARB staff worked with the industry and developed a compromise and it went forward, or it is in the process of going forward, I'm not sure if that one actually has 5 6 gone through the process yet. 7 CHAIR WEISSER: But you've also had a lot of work associated with, you know, consumer products is 8 9 the ones that stick in my mind. 10 MS. MORROW: Yeah. 11 CHAIR WEISSER: I mean, I know at ARB when 12 they're considering whether to ban the use of certain 13 evaporative agents in underarm deodorant and perfume, 14 gave great thought to the notion of, hmm, how is this 15 going to impact the average consumer. 16 MS. MORROW: Well, and with consumer 17 products, you know, ARB, and it says it in state law, 18 cannot actually ban a certain type of product. 19 CHAIR WEISSER: Right. 20 MS. MORROW: And so, you know, there are 21 requirements out there to protect the consumer so that 22 their option of a spray underarm is not taken away from 23 them. 24 CHAIR WEISSER: Thank you for that 25 illumination.

Once more, pure editorial, Rocky, on page 3, item number 1, the example cited of 2004 program review, I would insert the words 'Smog Check' before 'program.' And the same thing in the first paragraph I'd insert 'Smog Check.' Rocky, on page 5, this is purely editorial, the next-to-last paragraph that starts with, "Although," you have another 'its' with an apostrophe. Isn't this exciting? And that's all the suggestions that I have, and I will now as Ms. Lamare to share her suggestions. MEMBER LAMARE: Well, a couple of thoughts that I'm wondering if other Committee members might have some feedback on whether we should include some other considerations in this particular report. One consideration would be what other states are doing. If I understand correctly from the Sierra Research report that we were given to review in the last couple of weeks, it indicates how the Smog Check Program is implemented in each state, and as I reviewed that I saw only one state where a consumer protection agency is implementing the Smog Check Program. states are implementing the Smog Check Program through an environmental health or an environmental protection agency, and so I think it's consistent that our

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recommendation, to have policy and budget authority in the ARB is consistent with that.

3 CHAIR WEISSER: So we might want to add a 4 line. Where do you think we should put that?

MEMBER LAMARE: I think we should add a section before we talk about alternatives that's called, perhaps, other considerations.

And the two other considerations that I would include if the other members of this Committee concur are that other states do not use consumer protection agencies to implement Smog Check and that there are many states that do use an environmental agency.

And secondly, that the California Air
Resources Board has a public process, a regulatory
process, for full public participation, and also has
policies regarding environmental justice that it
applies to its work that could also be applied to the
Smog Check Program and benefit the state.

CHAIR WEISSER: I think both of those are very good suggestions. Does anyone on the Committee disagree? Anyone disagree? Okay. So we can do that, Jude, and we'll try to fashion a paragraph and ask you to fashion it for us.

24 MEMBER LAMARE: Okay.

25 CHAIR WEISSER: Are there other comments?

1 Jeffrey.

MEMBER WILLIAMS: I have one, and I'm not quite sure how this cuts to an editorial issue or to the recommendation.

Several of the examples we give where we're saying BAR hasn't done quite as well as ARB might have done have to do with being slow at something. I think we should be more explicit that this, well, that ARB has a culture to be fast, because that's the argument, and I put this in a context, well, we're all slow at everything. As a faculty member at UC Davis and the College of Agriculture that had to put in a report in December and, you know, you must do that, I'm proud to say I was the 258th of 258 faculty that put in that report and I haven't been struck by lightening or anything like that, and so that 'must' really didn't have anything to do with it.

CHAIR WEISSER: That's just a -

MEMBER WILLIAMS: I just wonder if part of the issue here is there's no sense of urgency and how do we cure that anyway.

CHAIR WEISSER: The reflection of you being 258th is of great interest. That's more a comment on academia perhaps than —

25 MEMBER WILLIAMS: Or my love of paperwork.

CHAIR WEISSER: You know, I think each and every one of the recommendations that are associated with slowness in the decision making process on BAR does tie it back into the fact that they can more afford to be slow than ARB because they don't have direct responsibility for achieving air quality goals. You know, it's no skin off of their nose if it's six months or a year late, whereas ARB has SIP commitments it has to meet and a whole variety of other issues tied to the environment that place a direct incentive on them to have fast decision making. And I think that's covered in each one, so I guess I take issue with that.

Now, I'm not going to go out and say ARB moves at the speed of lightening, and in fact, that's a good thing that they take a measured approach toward making decisions, important decisions. But I do think that the responsibility that they're charged with will inexorably lead to leaning towards implementation of program changes that will increase emission reductions from mobile sources more so than BAR.

MEMBER WILLIAMS: I agree with you, I just think you want to make that argument even more explicit, that it's there but a couple sentences more.

CHAIR WEISSER: Do you have any suggestions as to what or where?

MEMBER WILLIAMS: Well, all right, I figured you'd say that. I'll work on that.

3 CHAIR WEISSER: Thank you. The great delegator. Jude.

MEMBER LAMARE: Thank you. I just wanted to agree with Jeffrey. And I think what Jeffrey has said is that we're on to something here, but we really haven't nailed the cure, and that suggests that the bill might benefit from an amendment that actually sets review time lines for the Air Resources Board to visit the Smog Check Program on a regular basis, that it comes before them.

As you know, the way the program works now it does not go to the Air Resources Board for any program review. We've said policy and budgetary authority are appropriately at the ARB, but also in line with my thought that the reason I like that is the ARB has a public process and a regulatory process, but just shifting the policy and budgetary authority to ARB doesn't necessarily address the issue that responsible policy makers would review the Smog Check Program and these various elements that we see and that we're continually coming back to review, like, well, where's remote sensing, well, where's evaporative testing, the list kind of goes on and on.

What we want is for the regulatory body that's responsible for air quality control in our state to be examining the Smog Check Program on a regular basis in terms of how it's performing as an air quality improvement measure. So I think Jeffrey's onto something here that we need to ponder and that should be part of our report in the sense that if we're supporting the legislation we should be feeding back to the sponsors that they might want to tighten this up a little bit more in the bill.

Skates on again. It's my understanding that ARB goes through a process to develop an annual regulatory program cycle where they come forward with their estimated calendar of upcoming regulatory events at least once a year, and that the Air Resources Board itself gets involved in those decisions that are, you know, result in the formation of regulations but also they are looped into the process on many things that would fall under the rubric of guidelines. And you have, you know, a pretty active board in all the programs that ARB is involved in.

I'm not sure that we are, or the Legislature for that matter is - I guess I'm not sure that it's wise to try to embed in statute a particular series of

1 standards for a program review other than to establish 2 the correct superstructure for that review to take 3 place. So I think if you in fact move the policy of 4 the program over to ARB, that you get ARB - B being the operative word, the Board - involved in the major 5 6 decisions associated with policy direction for the 7 program. Is that what you're -8 MEMBER LAMARE: I'd just like to hear what 9 people, if anybody has any opinion. 10 MS. MORROW: Do you still need me, Vic? 11 CHAIR WEISSER: Yeah. 12 MS. MORROW: I don't have anything to comment 13 on that. I'm not exactly sure if we actually have, you 14 know, a pretty prescript board, a yearly calendar, I'm 15 not exactly sure that that's - because we do add things 16 to the Board, we add different items to it throughout 17 the year that may not be thought of at the beginning of 18 the year. 19 CHAIR WEISSER: Okay. Robert? 20 MEMBER PEARMAN: Could someone perhaps 21 explain to me the way it stands now if you put IMRC 22 aside how the BAR approval process of regulation change 23 and other change in the program is not open to the 24 public versus how it is under ARB under the current 25 structure that is supposedly open and public to a

greater extent?

CHAIR WEISSER: Do I tread? Okay. My understanding is that ARB as a regulatory agency must hold public meetings to receive public input prior to its adoption of any rule or regulation to implement its responsibilities given to it under statute. The Air Resources Board meets once a month in usually two-day marathon sessions.

The ARB, the Board is headed by a full-time Board member and the rest of the Board members are part-time. The staff of the Air Resources Board continually seems to be on the road doing public participation hearings.

MEMBER LAMARE: Workshops.

CHAIR WEISSER: Workshops and the like. They have an extensive, well-functioning system of public participation. They're in a board structure, which tends to move itself toward a higher degree of public participation.

On the other hand, BAR is set up in a more traditional executive branch structure where they're headed by a chief of staff. In this case the title of that position is chief, BAR. And the decision making within BAR is done in a much more — I should say can be done in a much more hierarchical fashion, including or

not including public participation. BAR has employed a variety of techniques to solicit public input and we've heard a lot about that at least during my tenure on this Committee. They have gone far beyond what they used to go through in order to solicit public input on issues, including the appointment of an ombudsman, including the advisory committee that they have set up, and in fact including this IMRC. They've used the IMRC to vet issues such as the formerly and apparently once again joint BAR/ARB report.

So BAR, like many executive branch agencies without a board, does use different tools to generate public involvement in the program. It certainly is not as structured or formal as the ARB situation.

Is that responsive to your inquiry?

Jude?

MEMBER LAMARE: I just want to add here that if you compare and contrast the Bureau process and the ARB process, one of the things that I notice is that the environmental groups and the air quality advocates and the clean air advocates that are out there are regular participants in the ARB process, they're present, they watch what ARB does. They rarely come here and watch us and participate with us, and I am not aware of them ever participating in any Bureau process.

The Bureau process is a process where the industry consults with the Bureau, but the public and the air quality advocates are not necessarily engaged. Obviously, my interest is in getting these issues to a venue where the air quality community, the folks who are knowledgeable and expert about air quality and who advocate for improvements in air quality are able to participate in a process that they're familiar with, with people that understand the air quality stake that's involved in the decisions being made on the Smog Check Program.

CHAIR WEISSER: Thank you. Wayne.

MR. RAMOS: Thank you, Wayne Ramos, Bureau of Automotive Repair. I just want to remind the Committee that any time we establish regulation we do go through the administrative — or the OAL process in which the public is invited to comment on any regulations that are established.

And also a reminder that when we do implement any program elements we do establish pilot programs that does as Judith mentioned, it involves industry being involved in those pilot programs to establish those procedures as well, so that should be remembered.

CHAIR WEISSER: Good point. All that's not to say that, even if the Lieber bill becomes law, that

there might not be a benefit from BAR having a board and having a process that does more formally include and require public participation in the input phases to decision making, and I know that that issue came up in the past, I think during your most recent program review it certainly was raised. It's something that, you know, we've heard from a lot of the folks that come to these meetings as to some extent a frustration. And in fact, I think that's why a lot of people who come to these meetings come to these meetings, because there is no regular formal public board that they can talk to, that they can complain to, other than the IMRC, and we have no authority, merely advisory.

Dennis?

MEMBER DECOTA: I think that your comments, Mr. Chairman, are basically right on. Are we going to jump from the so-called frying pan into the fryer as far as industry is concerned? One of the problems, I think, that has exacerbated the issues and slowed down the ability of industry to work in partnership in emission reductions has been the lack of interest of concerns and having a public voice to vent those in in order to take and make the program better. I think it's a situation that, you know, whether it be BAR or ARB, without some type of committee such as this for

issues to be tabled and discussed, I have to go back to, you know, I have to go back to things like MTBE in gasoline.

My industry as far as the petroleum retailer side of the house was fully in favor of supporting ARB on its move for cleaner burning gasoline. I served on the committee in '94. It was strongly suggested and recommended through ARB that MTBE be the additive of choice in the oxygenate. It has literally cost my industry — and I'm not sitting here in support of the oil companies by any means, but I'm talking about the small businesses — hundreds of millions of dollars.

We have situations that we face where implementation of sound environmental policy as far as our protection of the environment has not — the thing that has lacked is the ability of the regulatory community to realize that the capitalization of those improvements takes a little time, and because you introduce it and you have a short window of implementation, it becomes almost, I mean it's driven more small businesses out of business than has. It has to happen, but there needs to be a public forum such as a board, I believe, to understand and hear this.

BAR's oversight of the Committee has allowed for public comment in different venues, but the problem

is that if the public - and we'll bring one right now that's a reality, I mean, and that's the evap tester. Is an evap tester an item that industry should be doing in the area of Smog Check? Yes, I believe it is. should be a viable method of reducing emissions, but the way that it has been submitted with the program being as manipulated as it has through the testing industry, I guarantee you this industry will rebel in its current form for an evap testing. You may be very surprised at what would happen if the mandate came down to purchase an evap tester under the current market conditions that exist that are created because of the regulatory issues that really, if they had had a board or some forum like IMRC and paid attention to those issues, then the problems within the industry could have been solved before they become an issue of such contention. And that is my concerns. I don't know if this is good or bad.

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CHAIR WEISSER: The issue of would it be helpful to the program to have a board working with BAR rather than its existing structure is almost separate and apart from whether the policy for the Smog Check Program should be driven by BAR or ARB. I think that Jude's comment is correct that the ARB structure provides a lot more, as board structures do, a lot more

opportunity for public involvement than the existing BAR structure. I think the BAR structure, whether they retain the policy direction role or not, would likely be improved with a board structure, that would be my take-home message, and perhaps that's something that we might want to add to our list of issues to go into for a future report.

John and then Jude.

MEMBER HISSERICH: Just a couple of comments. I basically am supportive, as of course obviously being on the subcommittee I've been engaged in the discussion as this went forward.

You know, the notion that BAR, as we go back to the history of it, was created in response to consumer and automotive industry concerns about unacceptable levels of fraud and/or incompetence, they've done an excellent job of that and that's their role, that's their goal, and this change would not eliminate them from still being that buffer, and in fact would probably put in some ways in an advantageous position to do that.

And as you've said initially and I think we need to reinforce, the goal here is not protection from fraud, that's a desirable thing, it is air quality improvement, and so you want agencies that have as

their principle mission the ability to implement things in relation to that mission.

Now to the report itself there's a couple of things that we might just want to touch on here. In what we are saying is our recommended option, in the cons, to be fair, we've cited in the objections to 3 and 4 that there would be required significant legislative change. I don't know, I mean, significance is a relative sort of a term of art, but presumably, and we know that they would require legislative change as well, so I think in fairness just to be balanced in our recommendations we have to say that this does require some, whether it's significant or not, but I think it is fairly significant legislative change.

CHAIR WEISSER: I think that's a good point and I think we should, you know.

MEMBER HISSERICH: Yeah. Well, and then the issue has arisen or has been suggested that it would require quite a bit of dollars, budgetary changes. Now we've heard this notion in relation to the bill that's up that it's 500. Now that's not a huge budgetary change, but we just might, even for just again for balance and fairness, want to say it might require some. We have said minimal staff changes required, and maybe that's all we need to say. I was just kind of

wanting to make sure we're not stacking the deck too much in our presentation, but very clearly I think this is the recommended approach.

And I think one of my colleagues here was commenting that, you know, maybe the entire relocation of Smog Check into ARB would be desirable, and I think we could all articulate reasons why that may be so. On the other hand, I think that the very balancing of the consumer concern and protection is a reason to leave the Smog Check Program in BAR. They're good at it and they ought to continue to be able to fulfill that role.

CHAIR WEISSER: In regard to the first portion of what you were saying, the statutory change, I think we must modify the con side of that and indicate that it requires, you know, I think frankly it's a modest statutory change, much less so than alternatives 3 and 4, so I'd say some statutory change.

In terms of the cost figures, that was kind of what prompted my questions regarding who developed it, because I don't understand it. If anything, they were saying a half a million, \$500,000 as five people, and I'm curious as to where that came from. You know, I'm speculating because we were unable to pin that down where it came from, that it's probably five people as policy people. I don't quite get that. So you're

1 going to need some extra people, but you would think 2 that if you're moving policy from one group to another, 3 there's a gain and a loss, I don't know. But I think we have to acknowledge that at least somebody thinks 4 5 that it's going to or might cost something, so we've 6 got to put some wording in there, I think you're right. 7 Robert? MEMBER PEARMAN: I just want to maybe ask 8 9 Dennis if he could comment, does he feel that ARB would 10 be a welcome place for his constituents to express 11 their views of the program if this policy shift 12 occurred? 13 MEMBER DECOTA: I believe that it would. 14 mean, from the standpoint of there is definitely a 15 division between enforcement and air quality 16 improvement. Enforcement cannot be compromised. 17 is fraud. If the people are doing them wrong, BAR 18 should take them out, and I think the industry feels 19 that way. I don't think there's an industry 20 participant that feels differently. 21 But, on the other hand, is the way the program being administered under BAR's direction the 22 23 best for both consumers and industry alike and is it 24 removing the amount of emissions that it's intended to 25 And I think that's a huge question and I think

that's an Air Resources Board question, and we have to be able to interact, you know, with ARB as an industry — and I'm talking from an industry member only position here — in order to make effective change so that we have quantifiable emission reductions.

I mean, the modeling issue is the modeling issue, you know. I've been on the Committee longer than — as long as the Committee's been around, and we have found severe flaws in the modeling out of El Monte, and it blew up the last program, and the reason was that the model was not what it was supposed to be as far as accuracy.

And again, you know, this whole program is built off of its integrity to, I think, quantify emissions. Doesn't the public have a right to know what their money's being spent for. And I think ARB is where that should be done, I honestly do. And I think ARB can do the tough love, and the tough love could be, hey, if you can't prove that you're in a financial hardship, you repair the car or take it off the road, and I think ARB can do that type of thing much better than BAR. That's tough but I mean, it's the truth.

When are we going to change the program and make it an emission reduction program where everybody gives for the good of all, and that's what we have to

do and that's my goal on this Committee and always has been.

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CHAIR WEISSER: I want to emphasize, and we've emphasized this in the report, that we think that the report puts forward, you know, a theory that I believe is a fact, that the nature of the mission of the two agencies differs greatly and that that differing mission will have an impact on decision The report, the issue paper, explicitly says that this problem is inherently caused by the fact that neither BAR nor the Department of Consumer Affairs is directly responsible for achieving air quality goals and that it is not the failure of the staff or any particular manager at BAR, it's just a natural result of their mission, the missions being different. And it's very easy to get to personalize this kind of stuff, it's very sensitive, and I just want to make it clear from me and on behalf of this Committee that this isn't a personal thing, this is a result of kind of a deep growing sense of a mismatch of culture that needs to be addressed.

Any other comments? Jude.

MEMBER LAMARE: Thank you, Mr. Chairman. I appreciate the tenor of your final comment there and I think it's very, very important to emphasize that for a

number of years now we've had an arrangement and the Bureau has been the manager of the policy maker, the budgeter. DCA has had charge of the program. They've had a collaborative relationship with ARB but they've been in charge of the program. So that experiment has run its course and for me and I think other members of IMRC there has been a time during which that model was tested and we believe it's now time to move on to a model where ARB is in charge of policy and budget and see whether we get better emission reductions, because it's a simple matter of public administration that the mission of the Bureau and DCA don't fit the mission of the program. Thank you.

CHAIR WEISSER: Are there other comments from Committee members? This is a work in progress, and what we're going to do, it's hard for you to comment on something you haven't seen, and I think what we should do, and I put this up to the Committee to give me direction on this, is for us to take a vote essentially as to whether we accept this with the changes that we've highlighted, delegate the implementation or the incorporation of those changes into this memo to Rocky and me and send this out.

24 MEMBER LAMARE: Send it out for public 25 review.

1 CHAIR WEISSER: Well, and I think we've got to get - well, yeah, hold it, we could send -2 3 MEMBER LAMARE: Or send it out to us. CHAIR WEISSER: No, I think maybe you're 5 We could send this out to public - what my riaht. 6 interest is, frankly, is getting this in the hands of 7 the public and the Legislature so that as the discussions on the Lieber bill go forward they're 8 9 informed by this Committee's perspective. 10 Now, we can send it out as a draft. It will 11 end up in the hands of the staff and whatnot in the 12 Legislature in draft form and then adopt it at our next 13 meeting, or you could say just send it out, make the 14 changes that we've discussed, don't come back for 15 review and send it out. I need some direction that. 16 Why don't you ponder that for a moment. 17 I think it's important for us to also talk 18 about new information that we heard today briefly in 19 relationship to two of the examples that we cite in 20 here, the first being the 2004 program review. We've 21 heard information now from BAR that they've turned 22 around their turnaround on the policy positions that 23 were in the joint ARB/BAR report and are now apparently 24 supportive of those.

I don't think it undermines the concerns that

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we raise in that example over the, frankly the delay in getting this stuff going forward, but I think we need to acknowledge that we did hear some new information, even though it isn't formally approved again. Well, I guess it's still not formally approved, sounds like it's heading on that course.

John.

MEMBER HISSERICH: On that point I just am still seeking a little clarification about what the caveats that appear to be there are, and I don't know whether there's any more expiation of that could come from BAR at this setting or not, but just my understanding was that, you know, they'd gotten this far and there was a rider on there and I just wondered if we could hear a little more about that.

MR. GOLDSTENE: James Goldstene, Deputy Chief at BAR. Just maybe want to clarify the record. I'm not sure if Sylvia from ARB actually said there was a turnaround in the position. I think we've worked out a way to implement and review the recommendations in the report and we're committed to working together to move forward on the recommendations. So I don't have the text in front of me, but I don't want you to be misled that there was a 180 turnaround. The issues are there but we've figured out a way to work together to move

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    forward on the recommendations. So the questions that
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    were raised -
              CHAIR WEISSER: Do you support the
    recommendations that are in the report?
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              MR. GOLDSTENE: Well, we're waiting for the
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    review and the final approval of the addendum that will
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    clarify that, and since we don't have the benefit of
    this in front of us and the Committee doesn't have it,
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    I just don't want the Committee to make assumptions
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    about what Sylvia had said. I mean, we have come
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    together, we have a meeting of the minds, we're moving
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    forward well.
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              CHAIR WEISSER: I'm really glad you clarified
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    it because I in fact was drawn to the perspective, ah,
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    you now are supporting the recommendations. That's not
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    yet the case, but it may be the case but it may be the
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    case under certain other conditions that we'll find out
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    after the stuff is reviewed.
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              MR. GOLDSTENE: Hopefully shortly.
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              CHAIR WEISSER:
                             Great.
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              MR. GOLDSTENE: Yeah. But it's all very
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    positive.
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              CHAIR WEISSER: I'm sure it is. Now, I
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    didn't understand, I don't understand exactly where we
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    are, but I do understand what James said, that they're
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working toward an agreement on the recommendations as to how they might proceed on them. James is for the record nodding his head in a vertical motion with upand-down signifying yeah.

MEMBER HISSERICH: I guess it would be interesting to see if in the last analysis if ARB changes any of the positions that they took in the initial version of this in order to —

9 CHAIR WEISSER: I have been assured by ARB 10 they have not.

MEMBER HISSERICH: Or my impression is, and this of course we'll learn, but I have the impression that, because BAR's position was on the last iteration of this that they wanted to take a 'wait and see' attitude on the impact of the some of the changes that were made, and I'm guessing that they may be wanting to continue a bit of a 'wait and see' attitude to see what goes on, and somehow I don't need to do it for them, we'll get it, but that's just where I think it may be headed.

CHAIR WEISSER: The proof of that will be in the pudding and we'll see. For the purposes of this discussion I think the discussion that we have in the document frankly is still reflective of the reality as we're seeing it. Okay.

1 The second aspect of news that we heard 2 today, which I also don't think undermines what we've 3 said, has to do with the section associated with the testing for evaporative emissions. We did get an 4 5 update on that. Sounds like now things are moving, 6 whereas before the information we got from Chief Ross 7 at the last meeting kind of left me thinking everything was at kind of a standstill, but it sounds like now 8 9 there's movement again. 10 Just for the record, the issue that we're 11 raising there is, you signed an agreement in 2000 to have an evap test in 2002. Oh, it's 2005. That's our 12 13 concern. That's our concern. 14 We cite other examples, the public should 15 note. One relating to the adjustment of the repair 16 cost waiver limit, the issue that Member DeCota just 17 made referee to. That was supposed to be adjusted 18 periodically, and when was that established, Rocky, 19 1990 -20 MR. CARLISLE: 1998. 21 CHAIR WEISSER: 1998. Hasn't been touched. 22 And the last one is the implementation of the 23 emission failure cut points over the enhanced program. 24 Okay. I've given you a moment to ponder, so

we can approach this in a couple of ways. We can take

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some public comments right now and then move to discussing how you want to proceed on the finalization and release of the report. By that I mean do you want this to come back to the full Committee once again, which means that we wouldn't get the final out until June, or do you want us to finalize it and then release it to the public as a draft, or do you want us just to finalize it and release it. So first we'll take public comments. Mr. Ward.

MR. WARD: Thank you, Mr. Chairman. Randy
Ward representing the California Emission Testing
Industries Association. Once again, lightening has
struck and Dennis and I agree.

The issue of evaporative emission testing was once thought to be something that was particularly important. It was an element that was included in the SIP back in '94 to be associated with this program by the Air Board. Subsequent to that time I think the BAR's implementation, I'm not going to get into a position of saying they drug their feet, but it was certainly to a great extent a technological problem. The technology just wasn't there. It involved safety and a whole lot of considerations that I think they can discuss much better than I, but frankly, I think they approached it fairly thoughtfully.

And the bottom line now is you've got one company. These things are going to cost \$2500 to \$3000, that's the latest numbers I've heard, and there's a second company, I've been told, but they do not have a marketable machine to the best of my knowledge at this point, and you've got an industry that has lost 20 to 25 percent of its business respectively as a result of additional exemptions. So now you're going to hit somebody who might be making \$5,000 or \$6,000 a month doing some smog tests with a \$3,000 purchase of a piece of equipment. This is the straw, okay, that'll break a lot of these guys' backs, okay.

Now, here's my thought. Okay, we're talking about the Air Board and the Bureau and who's more responsive to the public, who's more responsive to emissions. Why didn't somebody give some thought to that? Why didn't the Air Board think, well, you know something, we just did something, we participated in this Moyer Program that resulted in hurting the economics of the smog test industry. We're going to need to think of something here, because evap emissions — I mean, this is right in front of them, this is going to cost them some additional money, so why don't we figure out a way that we can satisfy the EPA, get rid

1 of this evaporative emissions machine that's out there 2 now and come up with another solution. Cut points, I 3 don't know what, you've all heard the options. Okay, so when you talk about responsiveness, I mean this is a bureaucracy that's moving in one 5 6 direction and they don't look back, okay, and all of a 7 sudden now we're faced with a consequence of a \$3,000 8 piece of equipment that is going to be significant when 9 it comes to this industry and there may be some other options out there. So Dennis and I agree. 10 11 And I would also say that it was the Air 12 Board that was participating in the Moyer Program 13 objective along with the environmental community, and 14 there was no public hearing on that that we 15 participated in, okay. So, I mean, the grass may be 16 greener but it ain't a hundred percent greener. 17 you. 18 CHAIR WEISSER: Randy, I will once again 19 compliment you in finishing your comments under three 20 minutes. 21 Dennis, did you have something you wanted to 22 add or was that just waving your hands? 23 MEMBER DECOTA: I'm just helping. 24 CHAIR WEISSER: Okay. You know, I'm not 25 going to have this discussion move to a discussion of

the pros and cons of evaporative emissions, control of evaporative emission. However, the point that we're trying to make in this is there was a commitment made to get something done by 2002 when the economic situation was at a very different place, and let's get a decision one way or another on stuff like this. It's three years late. It's just consistent in my mind with a pattern.

Sir.

And 15 tons a day is not an insignificant emission reduction. The timing of it, Randy, associated with the loss of business to both test-only and test-and-repair is an incredibly large problem in my mind.

MR. RICE: Hello, Committee, I'm Bud Rice with Quality Tune-up Shops. Randy Ward said that lightening had struck and him and Dennis were kind of on the same pace twice in one day. Well, now hell has frozen over because now I agree with Randy, a lot of the comments he was making. I understand your comment about not wanting to go off onto that tangent, so a couple quick things.

One is, I might be a little bit naive as I stand in front of you as to how things work, but one of the questions I have is, why don't we try to fix it?

1 Why are we trying to throw it out? Why don't we try to 2 fix some of the maybe the miscommunication or maybe the 3 misadministration of clean air goals versus the implementation from BAR, why just a complete throw-out? 4 Why not attempt to do a fix first? 5 6 CHAIR WEISSER: Hold on for a second, I'm going to stop your time and I want to respond to that. 7 8 The BAR has had several chiefs over the last 9 fifteen years. How many, James, that you can remember? 10 Five? 11 MR. GOLDSTENE: Not including myself. 12 CHAIR WEISSER: How many? Four, plus you is 13 It's not an organization that's lacked from 14 different leadership coming in and trying to take it in 15 a different path. That's also indicative of what may be just a mismatch in terms of the organization's 16 17 mission and placement. 18 I don't think this is an issue that you can 19 fix with a band-aid. I actually think you need to 20 relocate surgically a portion of the issue, you know, 21 the portion of the issue that's causing the problem 22 that we're trying to address here, which is policy 23 priorities for air emissions receiving higher priority. 24 Bottom line.

The bottom line is, you wouldn't have a Smog

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1 | Check Program if you didn't care about air quality.

2 It's the only reason we have a Smog Check Program is to

3 reduce emissions. By definition, that should be the

4 highest priority, at least in this member's mind.

Please continue, Bud.

MR. RICE: Thank you. Based on your comments, the only other thing I would say then would be that to some degree perhaps the BAR has acted kind of a sanity check to what maybe CARB may have wanted to implement with BAR saying, well, okay, this makes some sense, maybe this doesn't make so much sense, so maybe a little bit of checks and balances have been in play with the Bureau being a little bit of a stopgap for what may have been an untimely implementation of something that wasn't ready for prime time yet. Thank you.

CHAIR WEISSER: But I think that latter is a point well taken, that a balance needs to be maintained between structuring the program so that it's convenient to the consumer, it's fair to the industry, and the emission reductions that you get are substantial and cost-effective. I agree with you.

I think what we're suggesting is that balance needs to be shifted a bit more over to the emission reduction side. That's arguable, and I respect anybody

who would disagree with it. You know, this is not something that's a black-and-white situation, it's arguable. I believe pretty strongly that the existing structure is designed in such a way as to always have emission reductions be the second class citizen.

Other? Chris.

MR. ERVINE: Chris Ervine with STARS. I understand that the primary thing that IMRC, BAR and ARB are after is emission reductions. The thing is that, and where this should go and who should administer it, I don't know. I do know that industry has a huge distrust of the Bureau of Automotive Repair. They believe that they've been lied to, that the program has been misrepresented, and they are now suffering great financial harm.

The evaporative emission program that's being proposed, we're talking about a program for vehicles that are disappearing. They're like dinosaurs, they're going away. It's probably, and I don't have the figures in front of me but I'm going to guess that it's probably somewhere around 30 percent or less of the smog fleet, and we're proposing that we invest \$3,000 to test a very small portion of the smog fleet.

The other thing is that the ones that are going to be using this equipment the most are the test-

onlys, because those vehicles are the ones that are directed to test-only. The test-and-repair industry, the only time we'll ever use the tester is when a vehicle fails at a test-only, so the cost per station for a test-and-repair as opposed to test-only per vehicle is going to be much greater with the test-and-repair industry.

Lower cut points. This is another thing that seems to be a hot thing here. The problem that we have here is with lower cut points, once you get below a certain level of the original cut point and you're trying to get just that little tiny bit there, that's where your greatest cost in emission reductions is going to be. It's going to cost you triple, quadruple per ton what it's going to cost to bring it from here down to here, that little bit is going to cost you.

I want to share with you something that happened to me just recently. I had to have a vehicle towed, it was my own personal vehicle. I live in a change of ownership area. The tow truck that came out to pick me up was a Ford truck, had a check engine light on. You could not stand downwind of the vehicle while he was hooking up the tow truck. It had a dead miss, it had a burned valve, and talking to the tow truck driver on the way back to my house, it had been

that way for a considerable amount of time.

If you want great emission reductions, bring the change of ownership into at least basic area where they're tested biennially, and we need to look at bringing a lot of the outlying areas into the enhanced areas, because believe it or not, these vehicles travel from one area to another, and in my particular area Caltrans can tell you what the number is because they just did a traffic count.

CHAIR WEISSER: Chris, on the comment you made regarding the cut points I want to be clear that the comments that we have in this issue paper aren't oriented toward reducing the cut points, they were just kind of a review of how long it took from the beginning of implementation of the enhanced system till the cut points reached where they are now. You had a phase-in period, which everyone knows you need, that we felt was kind of glacial in terms of the pace of implementation.

We're not saying do lower cut points. I agree completely with what you've said regarding when you're trying to get down to that last little bit it becomes less cost-effective than desirable. There's no move here and no discussion here toward that end. It's just in terms of program implementation, you have to strike a balance between familiarizing the technicians

with the system, testing out the system and also garnering those emission reductions. Our comments in that regard are reflective of the belief that we have that that balance went way overboard in terms of the smoothness of administration of the program rather than the garnering of the air quality benefits through emission reductions. MR. ERVINE: I think in defense of BAR and

MR. ERVINE: I think in defense of BAR and industry, I think that what you're talking about there, I don't feel it was exceptionally slow because there was a great learning curve there not only on industry's part but on the Bureau of Automotive Repair's part on how to reduce a lot of these emissions, and I think that it's just one of those transition periods where it was a big learning curve for a lot of people.

CHAIR WEISSER: Thank you. Any other comments? Bob? Robert?

MEMBER PEARMAN: No.

CHAIR WEISSER: Okay. Then thank you very much for the comments. What I'm going to suggest is, well, I've laid out a system. I'm going to suggest that the Committee authorize Rocky and myself to attempt to get the edits that you've suggested into the report, step one. Step two, that we send that out to the Committee once again as a work in progress for a

final review with a 48-hour turnaround time for that 1 final review and to see if there's any additional edits 2 3 that you believe need to be made. And then number three, we send the report out. That would be my 4 recommendation. 5 Robert? 7 MEMBER PEARMAN: I'd like to make a motion 8 that supports your statements that we have you and 9 Rocky refine this issue paper, that we get a 48-hour 10 turnaround time on comments from the Committee, and 11 then send it out as the Committee's issue paper, and I 12 would add either in that motion or separately that we also in the transmittal of the document off our 13 14 continuing services to the powers that be to help them 15 as they plan and implement any appropriate changes 16 needed to adopt our findings. 17 MEMBER HISSERICH: I would second that. 18 CHAIR WEISSER: So John Hisserich seconds. 19 Is there any further discussion on this item? All in 20 favor of the motion which has been seconded please 21 signify by saying aye. 22 IN UNISON: Aye. 23 CHAIR WEISSER: Are there any opposed? 24 Hearing none, the motion carries unanimously. 25 Rocky, this will remain on the agenda as one

of the report topics, and therefore I think we'll have an opportunity to get more feedback from the public once they get to read what we've drafted they'll find more to disagree and argue about, and that'll be good for us to hear.

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Now you think you're going to lunch, but you're not, because my intention now, considering where we are in the agenda, is to complete the meeting and then we'll break and we can go to our separate lunches or lunch together, so what I'd like to do now is open it up for general public comments on any issue that's been before us or that hasn't been before us on any subject, and I guess I'm going to start it off by suggesting to the group that we add specifically to this list of issues that we indicate that we're looking at the notion of evaluating whether it might serve the program under any organizational structure, it might serve the program were BAR working in the context of a board relationship, so I'd like to get any reactions from the Committee as to whether that's something they're interested in studying, they're interested in looking at sometime in the next months. Any reactions? Bruce?

MEMBER HOTCHKISS: Well, I think it's an

1 issue that's come up a number of times over the years 2 and it's not going to go away, so we might as well 3 discuss it. MEMBER HISSERICH: If I may, Mr. Chairman. 5 Do you think that our putting that forward would in any 6 way weaken our consideration of relocating the program 7 as we've just voted by saying, well, oh, never mind, 8 we'll get a board for BAR? I have that bit of a 9 concern. 10 CHAIR WEISSER: Dennis? 11 MEMBER DECOTA: I'll help you with your If it doesn't - if we don't have the ability 12 to take and make that recommendation I would have 13 14 difficulty in understanding why we would even consider 15 what we're attempting to do. I don't think it'll work 16 if we don't. 17 MEMBER HISSERICH: I'm sorry, I guess I don't 18 follow. 19 MEMBER DECOTA: I think that if you do not 20 have an improved communication methodology in place in 21 order to better satisfy the automotive repair industry 22 and consumers with regards to enhancements to the Smog 23 Check Program and there isn't a formal dialog 24 referenced in our recommendations, this member will 25 have a great deal of difficulty with a recommendation.

CHAIR WEISSER: To respond directly, John, to your statement, I think they're separable issues, but as you see, others may not. And therefore, I'd recommend we put it on our agenda as something we need to kind of look at, and I'd like us to think about it. I'm going to give some thought to it and work with Rocky to figure out, you know, where it stands in the pecking order and how we should approach it in terms of the subcommittee that would help us develop the issue in an analytical fashion, and we'll talk about that perhaps at the next meeting, Rocky, okay, in terms of how do we organize to go forward. If there's no objection, then we'll add it to our list of things we'd like to do. Okay. Now for any comments. We're going to start from the right and work left. Len, please come up. MR. TRIMLETT: Len Trimlett, smogrfg. One of the items on the subcommittee assignments was compare effectiveness of test-and-repair, test-only and Gold Shield stations. I've been waiting to hear that comparison for probably six months. I don't hear anything coming forward. Where do we stand, Jeffrey, on the Committee on that subcommittee? CHAIR WEISSER: Len, you're going to have to

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    direct your questions to me and then I parse them out.
    That's just how this Committee -
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              MR. TRIMLETT: Okay, Mr. Weisser.
              CHAIR WEISSER: Jeffrey?
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              MEMBER WILLIAMS: Don't you recall the
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    presentation on the 907,000 Hondas?
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              MR. TRIMLETT: It's coming?
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              CHAIR WEISSER: I think with all respect that
9
    Jeffrey has made a number of presentations of great
10
    interest and frankly great impact on that precise
11
    subject. It's on the website.
12
              MEMBER WILLIAMS: The March meeting I did
13
    one.
14
              MR. TRIMLETT: What's on the website is what
15
    we're to refer to. Okay.
16
              CHAIR WEISSER: The IMRC website.
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              MR. TRIMLETT: Right, the IMRC website.
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              CHAIR WEISSER: And I think the report that
19
    Jeffrey pulled together, extraordinarily in my mind,
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    has had a major desired impact in that ARB and BAR now
21
    are going into it in a far broader more extensive
22
    study.
23
              MR. TRIMLETT: Where can I find a copy of
24
    that report?
25
              CHAIR WEISSER: On the website.
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1	MR. TRIMLETT: Okay.
2	MEMBER WILLIAMS: It was a PowerPoint
3	presentation.
4	CHAIR WEISSER: It's the IMRC website, okay.
5	You know where it is.
6	MR. TRIMLETT: I know where that is.
7	CHAIR WEISSER: All right. If you have any
8	problem finding it, please call Rocky and he'll help
9	you navigate to it and get a copy of the report.
10	MR. TRIMLETT: Okay.
11	MEMBER WILLIAMS: I hope to have another
12	round of analysis to report in June, but we'll see.
13	MR. TRIMLETT: At some point in the future.
14	MEMBER WILLIAMS: In June probably.
15	MR. TRIMLETT: Okay.
16	CHAIR WEISSER: There's been a lot of
17	constructive work done already.
18	MR. TRIMLETT: I have no doubt about that.
19	CHAIR WEISSER: Okay. Thank you, Len. Marty
20	will be last, and only give him two minutes.
21	MR. RICE: Thank you, Committee. Third and
22	final time in front of you today, I promise. Two
23	things.
24	One, I wanted to talk a little bit about one
25	of the comments that Dennis had made about MTBE. The

funny thing about that is that as those recommendations were being made to industry about the effectiveness and how great that would be, now we're faced with the outcomes of what that decision was in terms of groundwater and that kind of thing. Point being that sometimes when you make those decisions you don't know what the impact's going to be until after the fact.

My question is, in terms of removing cars from the testing pools, is there any way for us to see what those impacts have been both in terms of the air, number of cars, that kind of, and the financial impact to industry as it relates to guys like us doing the tests?

CHAIR WEISSER: Bud, I think that's an outstanding suggestion. Considering this Committee had deep concerns regarding the carve-out of vehicles that occurred last year and expressed to both the Legislature and the Administration, I'm wondering whether it wouldn't be worth our time to work with the agencies to see whether we could document what the air quality impact of those decisions have actually been. I don't know, but I'd like you to explore that with both ARB and BAR.

In terms of the economic impacts, I think a consortium composed of Mr. DeCota and Mr. Ward would be

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    well suited to come up with an analysis of the economic
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    impacts of that decision, and perhaps you might be
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    interested in doing that, presenting information in
    that regard to the Committee.
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              MEMBER DECOTA: I wouldn't mind a bit.
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              CHAIR WEISSER: Jude. Oh, do you have
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    something more?
              MR. RICE: Yeah, final comment was about the
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    board with the Bureau of Automotive Repair, I would
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    just ask the Committee to carefully analyze how that
11
    would be done in terms of a naming convention, because
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    Bureau of Automotive Repair Board would be BARB, so you
13
    might want to think about that a little bit.
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              CHAIR WEISSER: Well, better than the Bureau
15
    of Automotive Repair Foundation. Okay.
16
              MEMBER LAMARE: Mr. Chairman.
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              CHAIR WEISSER: My blood sugar is running
18
    low, folks.
19
              MEMBER LAMARE: I'm losing it, Mr. Chairman.
20
              CHAIR WEISSER:
                             Okay.
                                     Jude.
21
              MEMBER LAMARE: Mr. Rice brought up the MTBE
22
    example and Dennis had mentioned that earlier. I
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    managed to keep my tongue at that point, but since it's
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    been brought up twice, I think it's important to point
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    out that the Air Resources Board did not mandate MTBE
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be included in RFG. What the Air Resources Board did
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    was adopt specs for RFG and the industry, the fuel
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    industry made the decision about how to compose that
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    fuel so that it met the specs, and so I think it's
    really a mischaracterization to say that the ARB
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6
    adopted the MTBE requirement for fuel and that that led
7
    to all of these expensive and uncomfortable
8
    consequences. The industry made the decision about the
9
    fuel.
           Thank you.
10
              CHAIR WEISSER: Please let's not become an
11
    MTBE debate forum, please, with any future comments.
12
    We'll have Dennis and then we'll ask Marty to step up.
13
              MEMBER DECOTA: The questions I was asking
14
    Ms. Morrow with regards to the report, I think Bud did
15
    a better job of articulating, and his question was
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    exactly where I was going with that, so I hope that
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    that doesn't - and I respectfully disagree with Jude.
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              CHAIR WEISSER: I'm so glad everyone is
19
    respectful. Mr. Keller.
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              MR. KELLER: Yes, thank you. Marty Keller,
    Automotive Repair Coalition. I want to talk about this
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22
    MTBE thing - no.
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              CHAIR WEISSER: Thank you. Motion for
24
    adjournment.
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              MR. KELLER: I wasn't going to say anything,
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but since you put this last item on the calendar for discussion with respect to the Board of Automotive Repair, so Bud, we can call it BAR without changing any of the stationery.

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The Automotive Repair Coalition obviously has been in the thick of this issue since before the Sunset Review hearing which was conducted a year ago in January and would like to offer any insights that we've had to share with you, because one of the things that we're exploring is, is there a way to take the best of bureau structures and combine it with the best of board structures and create some kind of hybrid. there are pluses and minuses to boards and one of the big minuses is the one that Randy pointed out, that the major impact on this program was done outside the public purview, period, when all these exemptions were created last year as part of the budget deal. So, one of the questions that we could maybe explore together is, is there a third way or an evolutionary model that we can create, and we've got some suggestions we would be glad to share with you that you may or may not want to consider.

Secondly, as part of that Sunset Review process, as you probably know, the Department of Consumer Affairs has hired an administrative

enforcement monitor who is now going to be on the job looking at reviewing BAR procedures for the next two years and you might want to create a dialog with that monitor and share with him any of the expertise that you may have on the issues that he will be looking at which have to do with regulatory management, fairness of enforcement practices, et cetera, et cetera, all that's contained in the statute that created the monitor, and you may have some expertise that would be of value to him and you might want to enter into a dialog with him.

CHAIR WEISSER: I'm wondering whether or not we might want to ask that person to give us a little report on what they're looking at at our next meeting.

And Marty, I guess I would like to benefit from the thinking that you and your friends have been doing associated with the board versus department versus hybrid kind of approach on organizations.

What's the best vehicle for us becoming aware and more familiar with your —

MR. KELLER: We created, when the new
Administration came in to test their willingness to
take a look at something unique or new, we've created
some concepts and I'd be glad to send those over to
Rocky, which we obviously thought were brilliant ideas

but weren't necessarily received with the same kind of insight. But nonetheless, I think that, again, they may or may not be where we end up.

We looked at like the Alcohol Bureau control model which has a completely separate and independent appeals process, because one of the concerns that industry has is that the APA does not really create an actual fair and independent review process, and when that is managed by a bureau chief as opposed to a board, then the responsibility for deciding whether an appeal will be upheld of an administrative decision is made by the same agency that preferred the charges.

CHAIR WEISSER: Got it.

MR. KELLER: So we looked at some different ways to get around that without creating an entire board to do that, so I'll be glad to send those over to Rocky and he can share those with you as he sees fit.

CHAIR WEISSER: Very good. Thank you. Is there anybody else in the audience that would have something they'd like to share with us? Please.

MR. WARD: I'll make it quick.

CHAIR WEISSER: Well, you are in between me and a hamburger, I will tell you that.

MR. WARD: My biggest concern, I think the reason that AB578 was introduced as the huge loss of

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    vehicles that went out of the program at the beginning
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    of the year, and now everybody seems to be kind of
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    scrambling around to try to redivide the pie up, but my
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    concern is the news vehicles that were left out of the
    program and specifically the change of ownership.
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    Who's going to be liable for those cars? What's going
7
    to happen to those cars in four years when they fail
    their smog test when they've been running around for
8
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    four years or five years or six years with the light
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    on? And here we have the Air Resources Board which has
11
    mandated a very lengthy warranty. What good is that
12
    warranty if the car never gets inspected? I mean, the
13
    consumer is paying for that warranty to be placed on
14
    the car, and then it's never perused by anybody, so I
15
    think it's a very important question.
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              CHAIR WEISSER: You're raising the precise
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    issues that we raised in our objections to these carve-
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    outs.
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              MR. WARD: And how have you voiced that to
20
    the Legislature, sir?
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              CHAIR WEISSER: We wrote to the Legislature
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    and to the Administration and presented our
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    perspectives on it, and they went a different
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    direction.
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MR. WARD: Yeah, they sure did without any

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    hearings.
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              CHAIR WEISSER: But the issue, you know,
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    these things don't necessarily get written in concrete,
    and -
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              MEMBER WILLIAMS: They never go away.
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              CHAIR WEISSER: - and I think that they're
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    issues that -
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              MR. WARD: I didn't hear anything about any
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    legislation being introduced that would roll that back.
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              CHAIR WEISSER: There hasn't been. I think
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    before that would occur there would have to be the
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    development of information to show the impacts are
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    negative impacts outweigh what some people consider to
14
    be the positive impacts in terms of -
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              MR. WARD: We got to wait four years for that
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    car to have to get inspected before you can gather your
17
    data or how are you going to do that?
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              CHAIR WEISSER: You're preaching to the choir
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    here, so you've made your point. Thank you very much.
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              Are there other comments? Then I will
    entertain a motion - Mr. Carlisle?
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              MR. CARLISLE: Just like to point out one
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    thing. Mr. Pearman brought it to my attention we did
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    leave out in the executive summary a motion and then an
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    amendment to that motion with regard to AB386 and a
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    subsequent letter to be drafted to the Legislature.
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              CHAIR WEISSER: So you want to reopen our
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    approval of the minutes to allow an amendment that
    would reflect the fact that this Committee took action
    on taking a position associated with the Lieber bill;
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    is that correct?
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              MR. CARLISLE: I would defer that decision to
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    you, sir, but -
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              CHAIR WEISSER: Just say yes.
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              MEMBER LAMARE: So moved.
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              MR. CARLISLE: Yes.
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              CHAIR WEISSER: Is there a second from John
    Hisserich. Any discussion? Hearing none, all in favor
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    signify by saying aye.
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              IN UNISON: Aye.
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              CHAIR WEISSER: Any opposed? Hearing none,
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    the minutes are so amended.
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              MR. CARLISLE: Thank you.
19
              CHAIR WEISSER: I will entertain a motion for
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    adjournment.
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              MEMBER DECOTA: So moved.
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              MEMBER LAMARE: Second.
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              CHAIR WEISSER: Okay, you pick out which ones
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    you want, we've got everybody.
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              All in favor say aye.
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1	IN UNISON: Aye.
2	CHAIR WEISSER: Thank you. The meeting is
3	adjourned.
4	(Meeting Adjourned)
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1	TRANSCRIBER'S CERTIFICATE
2	
3	
4	This is to certify that I, TERRI HARPER,
5	transcribed the tape-recorded meeting of the California
6	Inspection & Maintenance Review Committee, dated May
7	24, 2005; that the pages numbered 1 through 121
8	constitute said transcript; that the same is a complete
9	and accurate transcription of the aforesaid to the best
10	of my ability.
11	
12	Dated June 4, 2005.
13	
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15	
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17	Northern California Court Reporters